

SUSTAINING THE SASKATOON ADVANTAGE

2015 ANNUAL REPORT

SUSTAINING THE SASKATOON ADVANTAGE

Our city has many advantages.

Our neighbourhoods are safe. Our citizens are caring and compassionate. Our business climate is strong. Our cultural scene is expanding. Our river valley is the envy of many.

Protecting and sustaining these advantages is the focus of this report. It outlines the steps we are taking to balance today's needs with tomorrow's anticipated growth.

Infrastructure, transportation, community programs, essential services, facilities and public spaces are among the many priorities we manage for the benefit of Saskatoon citizens.

Managing and investing in these areas in a smart, sustainable way will ensure that Saskatoon remains a preferred place to live, work and visit for generations to come.

GUIDING DOCUMENTS

STRATEGIC PLAN

The Strategic Plan sets out seven Strategic Goals that will guide City Council's decision-making and administrative policy-making from 2013-2023:

A CULTURE OF CONTINUOUS IMPROVEMENT

ASSET AND FINANCIAL SUSTAINABILITY

QUALITY OF LIFE

ENVIRONMENTAL LEADERSHIP

SUSTAINABLE GROWTH

MOVING AROUND

ECONOMIC DIVERSITY AND PROSPERITY

Each Strategic Goal has 10-Year Strategies and 4-Year Priorities; these represent the "how-to" component of operationalizing the vision. Implementation strategies have been developed through the annual Corporate Business Plan and Budget process. The City continues to monitor performance as we bring Saskatoon's collective community vision to life. Our 2015 Annual Report – Sustaining the Saskatoon Advantage, aligns with these goals set forth in the 2013-2023 Strategic Plan.

BUDGET

The City of Saskatoon's 2015 Budget (including Utilities and Land Development) has a combined capital and operating investment of approximately \$1.1 billion comprised as follows:

- > **2015 Capital Budget:** \$373.4 million investment in capital projects
- > **2015 Operating Budget*:** \$728.4 million towards the City of Saskatoon's operations

* Made up by the following categories: Civic Services – \$430.7 million, Utilities – \$289.3 million, Land Development – \$8.4 million

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City of Saskatoon 2015 Annual Report

Year ended December 31, 2015
Saskatoon, Saskatchewan, Canada

Prepared and Produced by the City of Saskatoon
Asset and Financial Management and Corporate Performance Departments

Financial Statements Presented to City Council on June 27, 2016
Annual Report Presented to City Council on August 18, 2016

Letter of Transmittal

June 27, 2016

His Worship the Mayor
and Members of City Council

I am pleased to submit the City of Saskatoon's Annual Financial Report for the year ended December 31, 2015. The Annual Financial Report is submitted pursuant to Section 155 of *The Cities Act*. The financial report includes consolidated financial statements for the City of Saskatoon reporting entity as required by the Public Sector Accounting Standards Board (PSAB).

The purpose of this report is to provide financial, statistical, and other information about the City of Saskatoon and related entities to allow readers to gain an understanding of the City and the resources available to the City.

The Annual Financial Report consists of the following sections:

- The introduction familiarizes readers with the political and organizational structure of the City, reviews the City's accomplishments over the past year, and describes the nature and scope of the services provided by the City.
- A Financial Discussion and Analysis section and the Consolidated Financial Statements.
- The Financial Statement Discussion and the Statistical Section provides additional explanation and trend analysis to provide a broader understanding of the financial statements.

The preparation and presentation of the financial statements and related information contained in this report is the responsibility of the City of Saskatoon's management. The statements have been prepared on a basis consistent with the recommendations of PSAB. Included in the consolidated financial statements are those entities that are accountable to, and owned or controlled by, the City of Saskatoon. These entities include the Saskatoon Public Library, Saskatoon Police Service, Saskatchewan Place Inc. (operating as SaskTel Centre), Saskatoon Centennial Auditorium (operating as TCU Place), and the Mendel Art Gallery.

City Council appointed the accounting firm of Deloitte LLP to perform an independent audit of the City's 2015 financial statements, and its report is included herein. The accuracy and reliability of the financial information is ensured by the City's system of internal controls. The Standing Policy Committee on Finance reviews the external auditor's plan and ensures corrective action is taken for weaknesses identified in the City's internal control system. An internal audit function

through the services of PricewaterhouseCoopers also reports to the Standing Policy Committee on Finance, ensuring internal controls and procedures are in place and adhered to through a series of internal audits and reviews, with a focus on the City's Risk Management program.

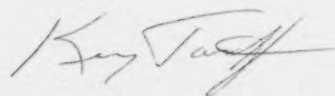
As noted, the consolidated financial statements include information on the City's financial position and operating results, along with those of several related entities. The City's operations are typically segmented (General Operating, General Capital, Utility Operating, and Capital) for budgeting and reporting purposes. For the purpose of the consolidated financial statements, the financial position, and results of all the segments are brought together.

The financial statements included herein reveal that the City ended the year with an operational surplus of \$2.058 million (see Schedule 6 within the Consolidated Financial Statements on page 90).

The City's 2015 capital program included planned expenditures of \$373.4 million. These expenditures were financed from reserves, development levies, contributions from developers, Federal and Provincial grants, gas tax revenues from the Federal Government, and borrowing.

The City continues to receive positive reviews from Standard and Poor's which reconfirmed the City's AAA credit rating.

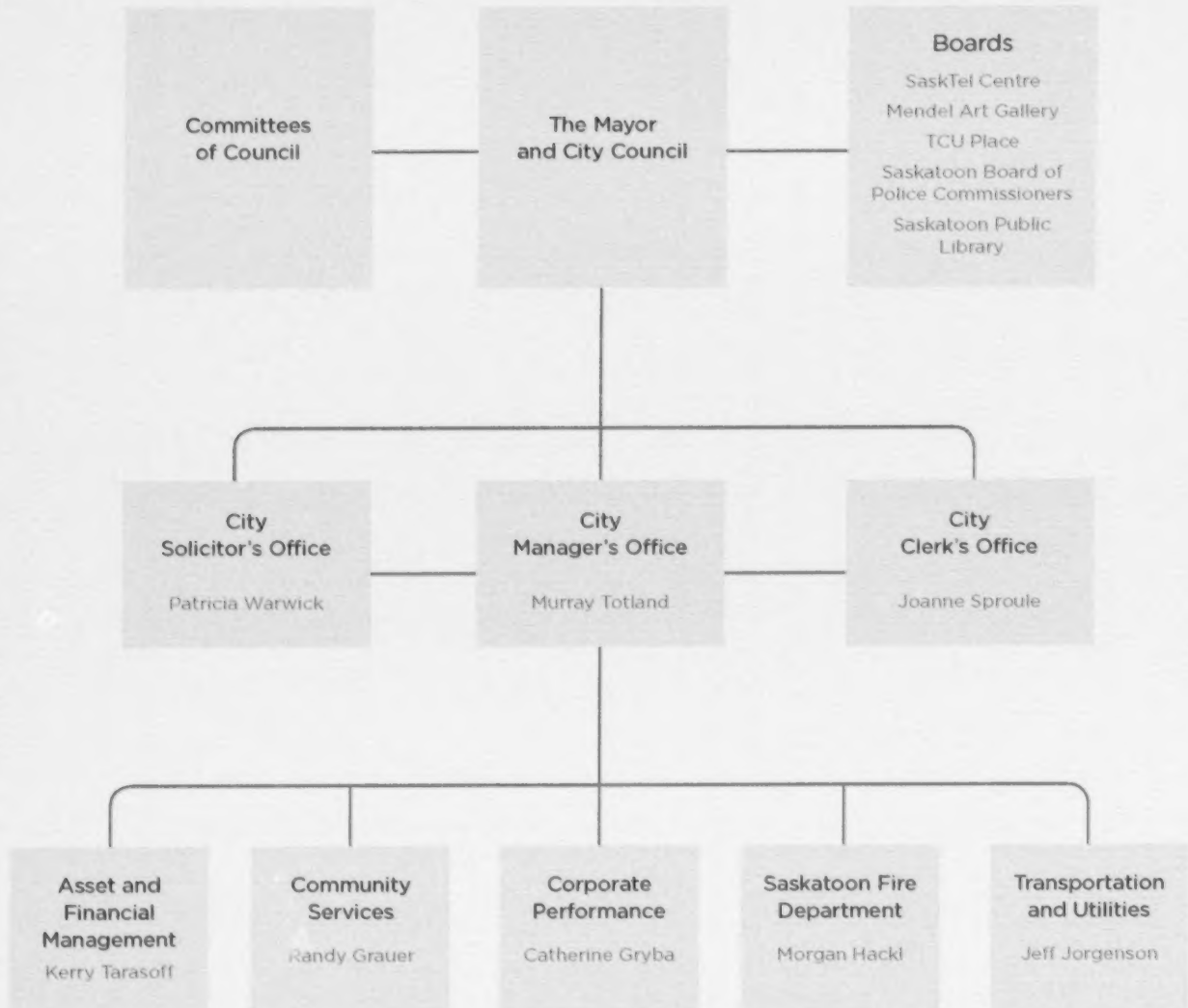
Respectfully submitted,



Kerry Tarasoff, FCPA, FCMA

**CFO/General Manager,
Asset and Financial Management**

City of Saskatoon Organizational Chart 2015





Message from the Mayor

"Sustaining that success and prosperity means focusing on the areas that provide a high quality of life for every family wherever they may live in our community."

Saskatoon is a city with a balanced economy, a vibrant city centre, bustling neighbourhoods and families who care deeply about our community. This is the Saskatoon advantage. Our task as a City and Council is sustaining that advantage through challenging economic times. We accept that challenge. In 2015, City Council approved a plan that builds on our successes and focuses on continuing to create a great city.

Saskatoon is one of the top two most competitive cities in western North America according to KPMG. Our tax rates are competitive, our labour force is well trained and ready to go to work and our centres of education continue to provide graduates every year who decide to remain in Saskatoon to pursue their careers and raise their families.

In the past 15 years, more than 90,000 people have chosen to move to Saskatoon. In the past decade, more than 50,000 jobs have been created and our economy has grown by 70 percent. Sustaining that success and prosperity means focusing on the areas that provide a high quality of life for every family wherever they may live in our community.

Building bridges, rehabilitating roadways and enhanced infrastructure connectivity improves the quality of life for the 270,000 citizens who call Saskatoon home. In 2015, work began on the North Commuter Parkway Bridge and Traffic Bridge Replacement Project. Both bridges and the nearly ten km of connecting roadway are set to open in the fall of 2018.

The 2015 Building Better Roads program showed what smart planning and wise investments can bring to a community. More than \$38.5 million was invested in roadways and sidewalks. More than 220 lane km of roadways were rehabilitated bringing the two year total to more than 420 lane km. In addition, another \$20 million was invested in back lanes, street sweeping and snow clearing. These are unprecedented investments in a great city.

The Civic Operations Centre project is on time and on budget and scheduled to open in early January 2017. This will create incredible redevelopment possibilities in the historic neighbourhood of Caswell Hill.

The Continuous Improvement Strategy is identifying efficiencies in the Corporation while providing savings to taxpayers. The Administration identified \$1.37 million in sustainable savings which reduced the mill rate impact. In addition, more than \$25 million in increased operational efficiencies, capital savings and service level enhancements were identified.

The Administration is instituting performance measures to monitor its progress toward achieving the goals set out in the 10-Year Strategic Plan. Innovative approaches to both operations and capital projects are creating real savings in both financial terms and enhanced productivity.

Strong leadership means choosing the right path and not the easy one. As we continue to build a successful, prosperous community in the midst of economic headwinds we make tough choices. Each decision builds great neighbourhoods which in turn build a great city. This is how we are sustaining the Saskatoon advantage.

A handwritten signature in dark ink, reading "Donald J. Atchison".

Donald J. Atchison
Mayor

City Council 2015

The City of Saskatoon is governed by an act of legislation of the Province of Saskatchewan known as *The Cities Act*. The Mayor is the Chief Executive Officer of the City.

Administrative powers and duties have been delegated to the City Manager who is appointed by City Council. The Council consists of the Mayor and ten Councillors, elected for a period of four years. Each Councillor represents a specific ward or area of the city.



— City of —
Saskatoon

Saskatoon City Council 2015



MAYOR
DONALD ATCHISON



COUNCILLOR
DARREN HILL
Ward 1



COUNCILLOR
PAT LORJE
Ward 2



COUNCILLOR
ANN IWANCHUK
Ward 3



COUNCILLOR
TROY DAVIES
Ward 4



COUNCILLOR
RANDY DONAUER
Ward 5



COUNCILLOR
CHARLIE CLARK
Ward 6



COUNCILLOR
MAIRIN LOEWEN
Ward 7



COUNCILLOR
ERIC OLAUSON
Ward 8



COUNCILLOR
TIFFANY PAULSEN
Ward 9



COUNCILLOR
ZACH JEFFRIES
Ward 10



Message from the City Manager

"...strategic investments in infrastructure and core civic services, and a renewed commitment to public engagement... make Saskatoon an even more attractive and desirable place to live, work and invest."

On behalf of the Administration, I am pleased to submit the City of Saskatoon's 2015 Annual Report: Sustaining the Saskatoon Advantage. This report aligns with the goals directed by the City's 10-year Strategic Plan. It also reports on the progress of the City's investment activities, projects, and services that were implemented in the 2015 Corporate Business Plan and Budget.

More specifically, it contains information on the City's financial and non-financial performance over the year. It also includes a detailed Financial Discussion and Analysis along with the 2015 Consolidated Financial Statements. This report reflects the City's ongoing commitment to accountability, transparency, credibility and clarity in financial reporting.

It is no secret that Saskatoon is blessed with many advantages. From our breathtaking landscape to our strong sense of community; from our prudent financial management and reasonable tax levels; to our continued investments in infrastructure and high quality of life. That is why Saskatoon has been one of the fastest growing cities in Canada over the past decade.

We've welcomed over 40,000 new people from all across the country and the world to our community. We've attracted millions of dollars in new investment to provide the opportunities and amenities for these newcomers to enjoy. Although we saw an economic slowdown in the second half 2015, due to falling commodity prices, the City continues to do its part in Sustaining the Saskatoon Advantage.

But before I explain how we are accomplishing this, I want to start by acknowledging that our strong financial planning helps guide our decision-making and keep us fiscally responsible. The City's financial stability provides a solid foundation for planning key projects and delivering the services our citizens depend upon each and every day, and it makes Saskatoon a municipal leader in Canada.

Because of these fiscal attributes, the City was able to maintain its Standard & Poor's AAA/ Stable credit rating in 2015. This pinnacle of credit rating provides the City with the financial flexibility to explore innovative and alternative ways to fund, finance, and deliver our important public infrastructure projects.

With our goal of being the best-managed city in Canada, the City is committed to high standards of performance and providing the services that matter most to citizens. With this in mind, the City of Saskatoon is building a strong track record of achieving what it sets out to do. I am delighted to report that in 2015 we made progress on achieving many of our Strategic Goals and Priorities, as we moved several key projects and initiatives forward.

In 2015, with the direction and leadership of City Council, the City continued to improve its transportation network by:

- Investing over \$53 million to improve our road network, an increase of over \$3 million from 2014 and \$19 million from 2013.
- Conducting a curb to curb street sweep in 61 residential neighbourhoods, with about 1,520 tandem dump truck loads of debris removed in just six weeks.
- Grading and repairing more than 400 km of gravel back lanes and reconstructed 24 km of gravel back lanes.
- Repairing the equivalent of 163,000 potholes, using an estimated 2485 tonnes of asphalt.

- Undertaking major repairs to the University Bridge to improve the mobility of commuters for many more years to come.
- Awarding the contract and overseeing the first phase of construction for the North Commuter Parkway and Traffic Bridge Replacement Project.
- Building a new Transit Operations and Maintenance building and permanent snow storage facility at the new Civic Operations Centre.

In 2015, the City also placed a strong emphasis on improving our customer service and public engagement through the creation of Service Saskatoon and the implementation of an online budget tool to obtain citizen feedback on our Business Plan and Budget investments.

Despite its focus on making investments in infrastructure and core services, and improving public engagement, we also need to focus on providing value for citizens in delivering services. Sustaining the Saskatoon Advantage also includes important measures to make the City a better-run organization through:

- more efficient municipal government;
- better performance measurement; and
- implementation of corporate Risk Based Management

To learn more about the City of Saskatoon's many achievements and to review what Saskatoon residents received in 2015, I refer you to the major projects and initiatives highlighted in this report. We hope you are encouraged by how the City is Sustaining the Saskatoon Advantage through strategic investments in infrastructure and core civic services, and a renewed commitment to public engagement that will make Saskatoon an even more attractive and desirable place to live, work and invest.

The Annual Report provides a forum to share the City's work with you: whether it's to feature a new service, or to celebrate the results of years of hard work on project. There are many more initiatives happening behind the scenes, as we continue the work set out in the vision expressed by City Council and the Strategic Plan.

Saskatoon is indeed a community with many advantages. It remains my honour to serve as City Manager, and along with a professional, dedicated and committed civic administration, assist City Council in implementing the policies, programs, services and initiatives that will Sustain the Saskatoon Advantage even in these uncertain economic times.



Murray Totland, P.Eng., MBA

City Manager

How Do Others See the City?

A Great Place to Work

In 2015, the City of Saskatoon was proud to be named one of Canada's Best Diversity Employers for the fourth year in a row and was also recognized as one of Saskatchewan's Top 50 Employers.

Award-Winning Communication

The City was recognized by the Canadian Wireless Telecommunications Association with its Connected to the Community Award for the new NotifyNOW system introduced in March 2015. NotifyNOW is a great example of how wireless technology can be used to improve the lives of Canadians.

Well Designed

The City of Saskatoon received the Premier's Award of Excellence in Design in the Landscape Architecture category from Stantec for South East Park (Donna Birkmaier Park and Hyde Park).

A Great Place to Visit

Saskatoon was featured as #20 in WestJet's magazine article "Where to go in 2016". The article highlights the much anticipated opening of the Remai Modern Art Gallery and the build-up of the historic Riversdale Neighbourhood.

A Leader in Event Sustainability

The City of Saskatoon received a Saskatchewan Waste Reduction Council Waste Minimization Award in the Festival/Event category for the 2014 Civic Pancake Breakfast. This award recognizes the City of Saskatoon as a leader in event sustainability and may inspire others to follow our lead. The Civic Pancake Breakfast (held on June 19, 2014) diverted 300 kg of compostable material as well as 6 kg of aluminum, plastics, and cardboard from the landfill.

Innovative

The City of Saskatoon's Innovation League was featured in Municipal World Magazine for their focused efforts on increasing collaboration through innovation and creativity across the organization.

Resource-Constrained but Resilient

Advantage Magazine posted an online article, "Profit for the People", about the City of Saskatoon's CFO, Kerry Tarasoff. The article headline reads: "The public sector is resource-constrained, but that's not stopping Kerry Tarasoff from trying to make an impact in the City of Saskatoon."

Financially Sound

The City received another AAA/Stable Credit rating from Standard & Poor's, the international bond-rating agency.

A City with Award-Winning Transportation

Saskatoon Transit received an award from the International Association of Business Communicators (IABC), honoured with a Community Relations Excellence Award for the 2014 Transit Route Changes initiative.

A Great Place to Cool Down

The City of Saskatoon was pleased to celebrate George Ward pool's 50th anniversary on July 26, 2015 and Lathey pool's 60th anniversary on July 1, 2015. Celebrations included life jacket fittings, swimming, games, face painting and lots of family fun.



2015 Highlights... A Year of New Enhancements

City Encouraged Citizens to *Have Their Say* on Proposed 2016 Budget

Spend more, spend less or spend about the same? The City of Saskatoon encouraged residents to participate in the annual budget by asking them for their input through a new and easy-to-use interactive and educational online tool, Citizen Budget. Both interactive and informative, the tool offered residents a chance to shape the city's budget deliberations and weigh their priorities for investment in 2016. Public feedback gathered through Citizen Budget and other budget engagement activities helped City Council and the Administration to make more informed decisions on how best to allocate resources to the proposed projects, programs and services in the 2016 Budget.

City and Community Partners Host Aboriginal Engagement Conference

The City partnered to host the Wicahitowin "Working Together" conference in an effort to increase Aboriginal engagement and service delivery. This conference is presented in partnership with the United Way, Aboriginal Friendship Centres of Saskatchewan, Saskatoon Health Region, and other community-based organizations. Its goal is to help provide support to the many organizations across Saskatchewan that are inclusive of Aboriginal people as employees, volunteers and decision makers.

Early Completion of University Bridge Rehabilitation

Due to nearly perfect weather and no major issues, the University Bridge reopened to vehicle traffic four weeks ahead of schedule. This iconic piece of infrastructure can now continue to serve commuters for many more years to come.

City Housing Business Plan Exceeds 2015 Target

For the third consecutive year, the City's Housing Business Plan has exceeded the overall target set by City Council. The plan supported the creation of 560 new attainable units in 2015, which helped achieve a balanced housing supply in all areas of the city.

Improved Customer Service at Public Works

The Hosted Contact Centre Phone System has been in place since July 2014 and, with a full year of reporting available, management was able to identify and plan for seasonal variations in service demands and address information gaps.

A new call back process is in place for elevated phone calls. This process ensures citizens receive a response to their concerns when further research or information is needed.

The Waste Stream Management phone line was also integrated in the Customer Service Centre. Public works is now able to respond 24/7 to all inquiries regarding garbage collection, compost depots, leaves and grass, landfill and recycling programs.

Better Roads

Approximately 5.4 km of sidewalks were fully replaced, close to 12 km of durable markings applied and 911 km of lane lines were painted – almost 30 km more than last year.

A curb to curb street sweep happened in 61 residential neighbourhoods, with about 1,520 tandem dump truck loads of debris removed in just six weeks. More than 400 km of gravel back lanes were graded or rehabilitated and 24 km of gravel back lanes were reconstructed.

Improvements were also made to the Report-A-Pothole application, making it easier for residents to identify and report potholes so crews could more efficiently locate and repair them. An estimated 2,845 tonnes of asphalt was used to repair the equivalent of 163,000 potholes, based on an average 12x4 inch hole.

Crews worked 24/7 sanding, salting, grading, plowing and removing snow from streets to keep drivers moving during our winter months. The average was 65 hours to complete grading on all priority streets after a snow event.

How Citizens See the City

Road Clean Up Impresses Former Councillor

"The road cleanup in the last couple of days has been great! So thanks to you and your crew. Pass on my appreciation for the great work that is being done to the rest of the team."
– Former City Councillor, Glen Penner

City Councillor applauds University Bridge Project

"In total, I had ten calls, several YMCA members, and six emails saying how impressed they were with the City on the (University Bridge) project and how the communication along the way and Tuesday morning was very impressive. In addition to that, I took some pictures last night around midnight of City Crews working hard on the resurfacing of Circle Drive near the 22nd street overpass. This was GREAT to see!" – City Councillor, Troy Davies



Professional Wrecking Company Impressed with the City of Saskatoon

"Thank you very much for all the help putting this together. (The Parrish & Heimbecker mill demolition) would not have been such a success without your professionalism, thoroughness, and hard work. I will look forward to working with you on any future projects in Saskatoon." – Tristan Rakowski of Rakowski Cartage & Wrecking.

City Resident Gives Kudos to the City for Pothole Management

"I'm not sure who should be commended for the great work patching the two big pot-holes at the corner of Dieppe Street and Lancaster Boulevard. You may remember that I phoned in this complaint around noon on Monday. By yesterday evening, the pot-holes had both been repaired, and the traffic at this detour point (due to the water main installation on Dundonald Avenue for the Civic Operations Centre) was flowing smoothly. The repair looks so good that I doubt even the heavy trucks hauling fill from the site will be able to ruin this patch of roadway!" – No attribution given

Resident Pleased with Enhanced Street Sweeping

"I am writing to let you know that the street sweepers did an excellent job on 10th Street this past Wednesday – I think it's the best sweeping that they've done since we moved in here."
– No attribution given

Appreciation for Timely Water Main Break Repair

"Our street had a water main break Saturday, resulting in water shut off to the three condo complexes on Adelaide Street and McEwen Avenue. Your employees arranged for a water trailer to be parked and proceeded to repair the break. It was completed and we had water before 11:00 pm. Greatly appreciated for this very timely repair. Thank you – please forward our kudos to all city employees involved in completing this in such a timely and expert manner."
– No attribution given

2015 Civic Services Survey

The City of Saskatoon has conducted the Civic Services Survey annually since the early 1990s. The key objectives of the annual survey are to gain insight into perceptions on the quality of life in Saskatoon, and to learn citizen perceptions on the importance and satisfaction they have related to services provided by the City of Saskatoon.

In 2015, a total of 500 surveys were completed via telephone/cell phone, and 821 surveys were completed online. The key findings for 2015 are summarized as...

Quality of Life...Satisfaction with Civic Services

...Perceptions of the quality of life in Saskatoon were reported as very positive, holding steady to the satisfaction response rate of 86% given in 2014.

Most Important Issues Facing the City

...When asked what the most important issues facing the City were in 2015, respondents continued to rate roads as the most dominant issue, along with sidewalk repair. Crime and policing were also cited as issues of greatest importance.

Performance in Delivering Civic Services

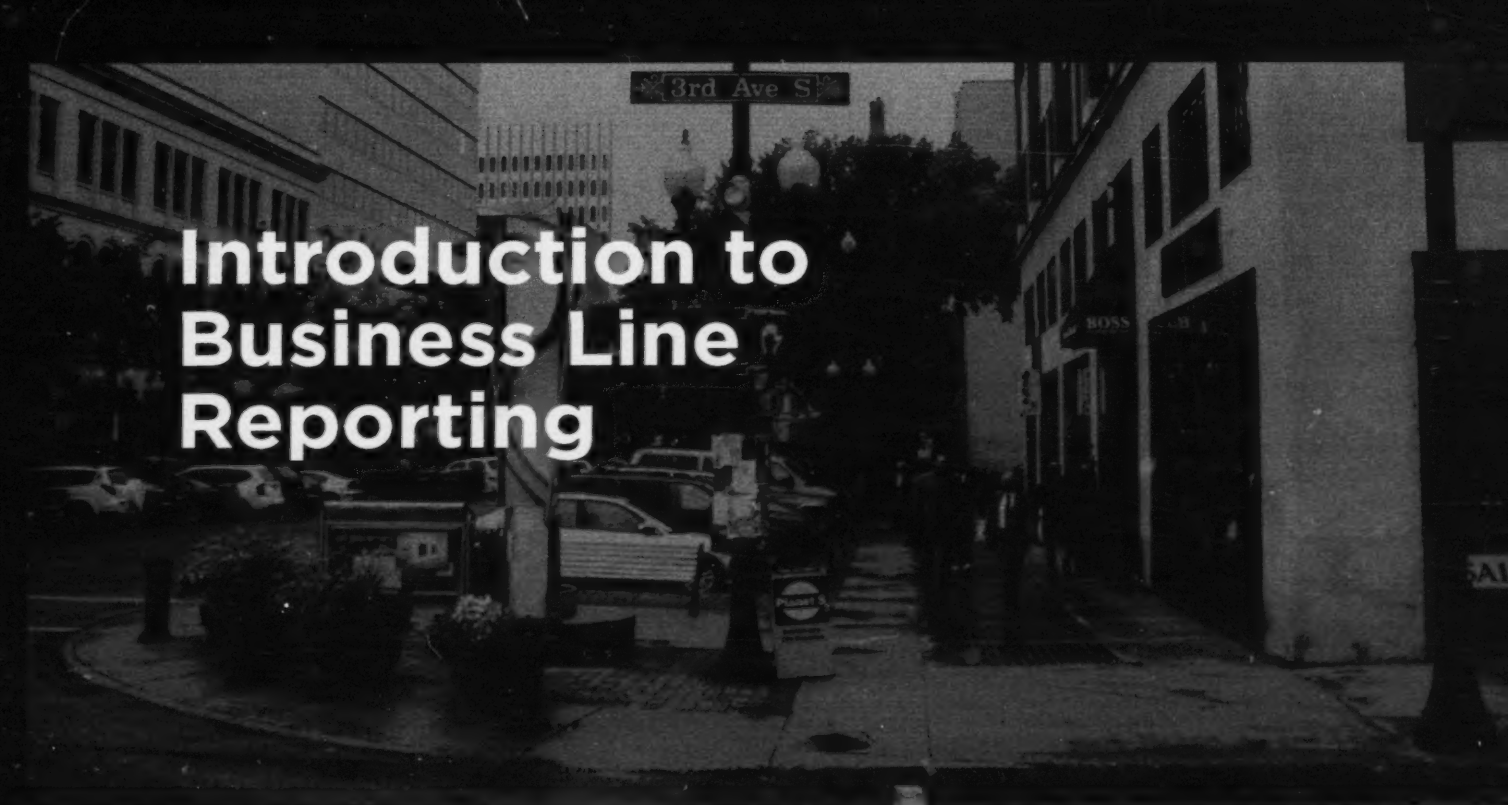
...In 2015, recycling was noted as a key service strength; snow and ice management moved from a key weakness in 2014 to a key strength in 2015.

According to the 2015 Survey, these civic services received the highest performance ratings: quality of drinking water, fire protection, electrical services reliability, repair of water main breaks, sewage treatment, garbage collection, police services and recycling.

On Citizen Preferences in 2015

...Citizen responses indicated that in 2015, their preference was for a combination of user fees and property taxes as a way for the City to balance its annual budget.

...Citizens indicated their preference was for the City to spend more on road maintenance, snow and ice maintenance, street crime and affordable housing. Less spending was indicated as a preference around arts and cultural groups, and on community organizations.



Introduction to Business Line Reporting

The City of Saskatoon implemented major changes to its planning and budgeting process in 2011 that established a new business plan and integrated the City's operating and capital budgets. In part, this was done for the following reasons:

The City of Saskatoon believes that the resources allocated to the various programs, services, and projects should be tied to clear and achievable plans.

Because the City of Saskatoon's capital investments have a direct impact on the day-to-day operations, the City believes that by integrating the operating and capital budgets, it enables more effective management of the City's financial resources.

By combining the operating and capital budgets, the full costs of funding the City's business lines are more clearly understood.

The City's approach to business planning and budgeting is intended to:

- Improve transparency and decision-making by providing City Council and citizens with more information about where City funds are used, linking service costs to service levels and outcomes, and better connecting long-term goals to short-term spending decisions.
- Increase the City's accountability in delivering services to citizens effectively and efficiently, while maintaining its focus on a sustainable future.
- Help the City transform its organization by providing for more regular, ongoing, and thorough examination of City services to ensure that services are relevant to citizens' needs and priorities.

Business Line Overview

Community Support

Provides support and community investment to help build capacity in sport, recreation, culture, heritage, and social organizations, and enhances neighbourhood-based associations and organizations.

Corporate Asset Management

Provides building operation and maintenance services for the City's buildings and structures, and manages its fleet of vehicles and equipment.

Corporate Governance and Finance

Provides administrative, human resources, information technology, and finance supports for all other business lines.

Environmental Health

Preserves and protects the long-term health of our urban environment.

Fire Services

Provides fire prevention, public fire and life safety education, emergency response, and the direction and coordination of the City's emergency planning and preparedness.

Policing

Works in partnership with the community to develop collaborative strategies to reduce crime and victimization. In partnership with City Council and the community, continues enforcement with proactive prevention, education, and early intervention strategies.

Recreation and Culture

Provides opportunities for citizens to participate in, and enjoy, the benefits of sport, recreation, culture, and park activities.

Taxation and General Revenues

The property levy is the amount required from property taxes to balance the operating budget. This levy includes growth in the assessment roll over the previous year plus the requirements to fund the current year's budget. Supplementary taxes are levied on properties that were changed in the current taxation year and not a part of the original levy. Other corporate revenues, including the Municipal Operating Grant, are applied to the general fund and are included in this business line.

Transportation

Efficiently moves people, services, and goods while minimizing environmental impact and promoting sustainability.

Urban Planning and Development

A proactive approach to addressing future opportunities and pressures on our community that accommodates growth and change (e.g. population, diversity of public services and amenities, broader scope of education, research, business), while balancing long-term economic, environmental, and social needs, and achieving the desired quality of life expressed by our citizens.

Utilities

Provides cost-effective and high-quality electricity (Saskatoon Light & Power), quality drinking water, treatment of waste water, recycling, and storm water management (Water and Sewer).

Land Development

Operates on a level playing field with the private sector, and ensures adequate levels of serviced inventory for both residential and industrial land are maintained to meet demand.

Community Support

Operating Expenditure Budget: \$15.6 million Capital Budget: \$0.4 million

STRATEGIC GOAL



Quality of Life

Overview

Saskatoon consistently ranks among the top cities in North America for quality of life. The City of Saskatoon defines quality of life as the sense of well-being achieved when people are physically and emotionally healthy, economically secure, safe, have adequate shelter, a sense of belonging, and share cultural and social connections.

Achieving quality of life for residents of Saskatoon requires the combined commitment of individuals, families, community organizations, service providers and the City of Saskatoon.

The Community Support business line provides both human and financial supports for community groups, as well as a broad range of City-led initiatives. These initiatives are aimed at building capacity in sport, recreation, culture, heritage and social organizations, and enhancing neighbourhood-based associations. The Community Support business line also provides subsidized or no-cost programs where cost is a barrier for families or individuals. In addition, within this business line are services respecting dignity and addressing cost as a barrier in the services provided by Cemeteries and the Animal Control program. Further, economic development, tourism and protection of our river valley are supported through contributions to the Saskatoon Regional Economic Development Authority (SREDA), Tourism Saskatoon and the Meewasin Valley Authority (MVA).

Community supports often take the form of investments in community-based organizations. This approach ensures a balance between municipal leadership and community involvement in the development and revitalization of facilities, programs and services, and the protection of Saskatoon's heritage buildings and structures. Partnerships

and community collaboration continue to be keys to the success of this service delivery approach. Further, the human and financial leveraging facilitated through this approach is exponential.

At a Glance

- Support and investments made in 65 human service agencies, 50 organizations involved in sport, 52 neighbourhood rinks, 47 community associations, 19 community gardens and 17 organizations involved in arts, culture or heritage.
- More than \$6.4 million in grants and support to local Community Association volunteers who contributed 125,000 volunteer hours in 2016.
- Over \$4.8 million in self-generated revenue by driving 600,000 visits to our civic cultural facilities and delivering 60,000 hours of sport, culture and recreation programming to 161,300 participants.
- Stewardship of the river valley through our continued investment in the work of the Meewasin Valley Authority.
- Investments in Tourism Saskatoon to attract high-profile events, championships and conventions to our city, creating spin-off economic benefits.
- Ongoing support and investment in SREDA as our city and region's primary economic development driver.
- Program support to improve the engagement of Aboriginal people, address racism and discrimination and promote racial harmony.

- Ongoing grounds-keeping and maintenance of Woodlawn and Nutana Pioneer Cemeteries.
- Pet control through 175 subsidized spay or neuter surgeries per year.
- Promoting access to Civic Leisure Centres by providing 87,200 subsidized visits each year.



Major Projects and Initiatives

Aboriginal Engagement and Leadership

- The City helped organize the first *Wicahitowin* ("Working Together") Conference. About 300 participants focused on meaningful and inclusive Aboriginal engagement and human service delivery.
- Our partnership with the Saskatoon Tribal Council, Gabriel Dumont Institute and PotashCorp ensured the delivery of the Atoske Skill Development Program again this year. These summer camps provide opportunities for Aboriginal youth to strengthen their leadership and life skills and explore careers with the City and other organizations.
- The *Voice of Youth Leadership Summit*, hosted in partnership with the Saskatoon Open Door Society, engaged 60 youth from Aboriginal, newcomer and non-Aboriginal communities.
- The City partnered with the Saskatoon Tribal Council and Core Neighbourhood Youth Co-op on the *Wanska* youth leadership initiative, supporting personal and cultural development of young participants based on the Circle of Courage philosophy of belonging, mastery, independence, and generosity.

An Age-Friendly City

- Collaboration continued with the Saskatoon Council on Aging (SCOA) on the *Age-Friendly Saskatoon* initiative. Community-based organizations participated in a spring workshop to review the Age Friendly action plan and identify initiatives to help move recommendations forward.

Corporate Accessibility Plan

- As part of the ongoing Corporate Accessibility Plan, the City continued to install audible/accessible pedestrian signals in priority locations near the airport and in the Evergreen neighbourhood. Locations downtown, on Broadway Avenue and on 22nd Street are scheduled for installation in early 2016.

- The Accessibility page on the *Saskatoon.ca* website was launched early in the year. The design complies with Web Content Accessibility Guidelines 2.0AA Accessibility Standards. saskatoon.ca/moving-around/accessibility

Engaging Youth

- The Cultural Diversity Race Relations office, in partnership with the Core Neighbourhood Youth Co-op, provided opportunities for the "youth voice" to be heard at the *Unified Minds* youth summit.
- The City, Saskatoon Tribal Council, United Way, and Prairieland Park partnered to host *YOUTHsPEAKyxe*, an interactive youth forum that engaged young people and adult allies on a variety of topics, from civic engagement to addressing discrimination.

Supporting Newcomers

- Implementation continued on the Immigration Action Plan to ensure City programs and services are changing along with the community. A two-day 'train the trainer' Treaty Awareness program was coordinated and hosted with the Office of the Treaty Commissioner.
- An Anti-Racism Education Implementation Strategy was completed, aiming to increase awareness and recognition of racism in Saskatoon, develop a better understanding of racism, and educate the public on how to combat racism.
- "*I am the Bridge*" public education campaign was launched to encourage residents to talk about racism and ways to eliminate it by sharing videos of their experiences and messages of inclusion. An Understanding Racism brochure was developed as part of the campaign, and Understanding Racism sessions were offered to civic staff.
- *Welcome to Saskatoon* offered support for newcomers through bus tours of our city, recycling workshops and introduction to summer programming through settlement support workers in local schools.

Major Projects and Initiatives

- The City participated on a provincial coordinating committee for the settlement of Syrian refugees, partnered with the Saskatoon Refugee Coalition to coordinate an education and awareness forum at the Roxy Theatre, launched the Moving Stories event to share stories of Aboriginal, immigrant, and refugee youth in Saskatoon, coordinated a visit to Muskeg Lake Cree Nation for newcomers during Treaty Days, and participated in "A Call for Justice" exhibit at the Diefenbaker Centre that outlined the internment of Japanese Canadians during World War II.

Supporting Community Associations

- Community Development provided training to over 165 Community Association volunteers, including a Volunteer Boot Camp with workshops on online registration, indoor program coordination, special event coordination and more. Over 275 people attended the annual Volunteer Appreciation evening.

Tools to Evaluate the Impact of Community Funding

- As part of the Saskatoon Collaborative Funding Partnership, the City piloted an evaluation and reporting tool to help community organizations better report on their collective impact in the community.

Corporate Asset Management

Operating Expenditure Budget: \$10.1 million Capital Budget: \$15.6 million

STRATEGIC GOAL



**Asset and Financial
Sustainability**

Overview

The Corporate Asset Management business line provides support and services for all civic programs and departments including building operations and maintenance services for City buildings and structures such as leisure facilities, fire halls, transit buildings, civic offices, libraries and galleries, Police Headquarters, and other associated services for TCU Place and SaskTel Centre.

The Fleet Services program within this business line provides equipment management services for the Corporation's vehicles and equipment fleet, including purchasing, leasing, maintenance and repair, fuel distribution and operator training.

The City employs an asset management and comprehensive maintenance program for the preservation of civic facilities and fleet infrastructure. This program combines preventive maintenance with cyclical infrastructure renewal to ensure facility and fleet assets are optimized for longevity.

At a Glance

- 359,550 square metres of buildings under management
- 376 buildings valued at \$1.53 billion with contents totalling \$244.2 million
- 92,268 square meters of vehicle parking areas maintained and operated
- 184 play structures valued at \$8.5 million
- 28,670 park furnishings maintained in 233 parks
- Civic Water Features at 10 pools, 32 paddling pools, and 16 spray parks
- More than 9,300 assets maintained via the Comprehensive Maintenance Program
- 1,300 vehicles and equipment in the City's fleet worth a book value of \$80 million
- Diesel and gasoline consumption totalling 8.3 million litres per year from 23 separate fueling stations
- 1,435 trunked radios and related infrastructure valued at \$15.2 million

Major Projects and Initiatives

Asset Management Plan

- Work began on a Corporate Strategy to develop Asset Management plans for all the City's key assets, including facilities, fleet, bridges, land improvements, and machinery and equipment.

Civic Operations Centre

- Construction began on the permanent snow storage facility at the new Civic Operations Centre (COC), with completion expected in late 2016. Construction also began on the new Transit facility at the COC. This facility will house buses, maintenance and administration offices.

Civic Square East

- Development of Civic Square East (former Canada Post building on Fourth Avenue across from City Hall) continues in an ongoing effort to address the demand for civic office space.
- The overall Corporate Accommodation Vision is in the final stages of development and has a high importance placed on increasing customer service experiences (in collaboration with Service Saskatoon) and enhancing building and occupant security.

Internal Customer Service

- As part of ongoing efforts to reflect the requirements and expectations of internal customers, the City began reviews of Service Agreements for civic leisure facilities and the Remai Modern Art Gallery of Saskatchewan.
- With an Action Plan for alternate and enhanced service delivery approved, Phase Two of the Fleet Civic Service Review got underway, including a review of the Saskatoon Police Service fleet.

Energy Management Program

- The City continued to demonstrate leadership in cold climate energy efficiency with the successful installation of combined heat and power units at Lakewood Civic Centre and Shaw Centre. The units reduce utility costs and greenhouse gas emissions at two of the City's largest leisure facilities.

Corporate Governance and Finance

Operating Expenditure Budget: \$65.0 million Capital Budget: \$1.3 million

STRATEGIC GOAL



**Asset and
Financial Sustainability**



**Culture of Continuous
Improvement**

Overview

The Corporate Governance and Finance business line provides essential direction and support for the City of Saskatoon in three main areas:

- **Governance**
- **Finance**
- **Performance**

The leadership and expertise that City staff provides in these important areas help ensure the smooth, seamless delivery of programs and services to citizens, businesses, organizations and other stakeholders.

Corporate governance oversees legislative and legal compliance, and implements strategic corporate programs to support City Council and the Administration. Corporate governance includes the Offices of the City Manager, the City Solicitor and the City Clerk, and carries out the legislated duties of the Corporation, as defined in the Saskatchewan *Cities Act*.

The Chief Financial Officer (CFO) provides corporate financial leadership to City Council and the Administration. The CFO reports to the City Manager and partners with General Managers on the overall development and deployment of financial plans and strategies to enable effective program and service delivery. The CFO administers the corporate Risk Based Management System, which is intended to ensure that significant risks facing the City are addressed in a positive, systematic and productive way. The CFO is also the General Manager of the Asset and Financial Management Department.

A key function of the Corporate Governance and Finance business line is to operationalize the City of Saskatoon's mission and vision by aligning organizational performance with the Strategic Plan. Through sound management and strong

governance the business line supports other divisions within the organization in achieving the seven Strategic Goals.

By focusing on continuous improvement and performance measurement, the organization is making strides to provide the best possible services in both an innovative and creative manner. Enhancing effectiveness and improving efficiency allows for the delivery of affordable and sustainable programs to citizens. This ensures the Administration continues to focus on its long-term goal of managing the Corporation in a smart, sustainable way.

The Corporate Governance and Finance business line contains several additional employee and organizational services that ensure corporate support functions work together to help front-line staff deliver quality services to the citizens of Saskatoon. Keeping citizens informed through community engagement and employing corporate communications are two important functions of the Corporate Governance and Finance business line.

Employee and organizational services include:

- human resources;
- strategic and business planning;
- government relations;
- aboriginal affairs;
- corporate communications;
- customer service;
- information technology; and,
- billing and collection of revenue.

At a Glance

- Total Corporate Operating Budget: \$430.7 million in 2015.
- Total Corporate Capital Budget: \$373.4 million in 2015.
- There are 11 elected officials consisting of the Mayor and 10 Ward Councillors.
- There are 12 unions and associations within the City's organizational structure.
- The 2015 assessed value of all property in Saskatoon from the preliminary roll is \$40.4 billion (taxable \$32.2 billion).
- There are 18 Joint Occupational Health and Safety Committees representing employees from every department in the City's organizational structure.
- Over 1,633 Service Alerts were issued in 2015 to keep the public informed on service disruptions.
- IT supports infrastructure information for over 70,000 properties and nearly 4,000 km of roads, water, dust and wastewater collection systems.
- IT provides infrastructure and support for over 5,000 devices and 60 locations in the Corporation.
- There were 3,571 full-time equivalent (FTE) operating and capital budget positions in 2015. Currently there are 4,101 permanent employees (includes full time, part time and job share employees).
- There are approximately 30 boards, commissions and committees.

Major Projects and Initiatives

Continuous Improvement

- Civic Service Reviews were completed for Fleet Services (phase 1), Parks (design, construction, and maintenance), Roadways (design, construction, and maintenance), Special Events, Information Technology, and Graffiti Remediation.
- Continuous Improvement (CI) initiatives for each business line were identified in the 2015 Corporate Business Plan and Budget.
- The City's Innovation League held information sessions to educate civic staff on the IS innovation process and tools which the Innovation League members used to facilitate in 2015.

Improving Customer Service

- Service Saskatoon is a coordinated approach to responding to calls and inquiries from citizens via one-stop, personalized access to City services by phone (including mobile), internet, or in person. The Steering Committee, which guides the overall approach to the Service Saskatoon Customer Relationship Management (CRM) system, was expanded to include senior managers from key divisions.
- An internal review of the Public Work's Customer Service Call Centre began. Results will be integrated in the Service Saskatoon strategy for a CRM system.
- To improve phone access, the City revised its Blue Pages in the SaskTel phone book and added Citizen Service Numbers to the saskatoon.ca/phoneus webpage.
- A pilot survey project was launched to collect citizen feedback on service received throughout the City. Survey results will

help the City better understand the attributes of an ideal service experience.

- The City continued to lead the transition from manual meter reading to Advanced Metering Infrastructure (AMI). Forty-two AMI data collectors were installed to collect electricity and water meter data in Saskatoon Light & Power's service area, while two AMI data collectors and 20 data repeaters were installed to collect water meter data in Evergreen, Willowgrove, and University Heights.

Official Launch of New Website

- The redesigned City of Saskatoon website, saskatoon.ca, was launched on February 4, 2015. The website used extensive public engagement to create a more customer and citizen friendly site.

Taking Care of City Business

- The Electronic Agenda Management system has been fully implemented and an internet publishing element is currently being tested.
- City Council approved a long-term financial plan that combines financial forecasting with financial strategizing to identify future challenges and opportunities, causes of fiscal imbalances, and strategies to secure financial sustainability.
- As part of the succession planning framework, a Competency Framework was developed and approved. Competencies are used to ensure knowledge transfer and skill development for key senior leadership positions.

Environmental Health

Operating Expenditure Budget: \$19.3 million Capital Budget: \$3.8 million

STRATEGIC GOAL



**Environmental
Leadership**

Overview

A healthy environment is essential to a healthy population, now and in the future. The City of Saskatoon demonstrates Environmental Leadership through a number of programs, services and activities under the Environmental Health business line. Saskatoon's waste handling services form the core of this business line. Plans, policies and environmental regulations guide air, water and land protection, along with efforts to reduce the impact of our activities for the benefit of citizens today and tomorrow.

Programs and services include: collection and management of solid waste; recycling and composting program development and management; implementation of environmental programs to reduce energy use and the emission of greenhouse gases; stewardship of household hazardous waste; responsible management or remediation of City-owned contaminated sites; water and air quality protection efforts; management of Saskatoon's urban forest; prevention of the spread of insect and plant pests; wildlife management; and environmental policy development. These programs and services are delivered by three divisions.

The Public Works division is responsible for Waste Handling; the Parks division delivers Pest Management and Urban Forestry services; and the Environmental and Corporate Initiatives division is responsible for the Environmental Program and components of the Waste Reduction and Resource Recovery program.

At a Glance

- Approximately 105,000 park and boulevard trees are maintained annually, with 10,000 trees pruned each year to promote tree growth, health and longevity.
- The Waste Stream Management section of Public Works collects more than 2.8 million residential garbage containers each year with a success rate of 99.9 percent.
- Garbage collection services are provided by Public Works to 67,000 single-family homes by a fleet of 18 garbage trucks and to 23,000 multi-unit residential properties using several front-fork collection trucks.
- The Landfill receives approximately 119,000 tonnes of garbage annually; 55 percent is residential garbage.
- In addition to recycling and composting programs provided by the Waste Services Utility, waste diversion programs collect over 75,000 kg of hazardous waste and 1,500 tonnes of recyclable cardboard and other materials at public depots. In total, nine waste diversion programs divert 21.0 percent of the waste generated in the community away from the Landfill.
- 13 civic buildings contain sophisticated utility monitoring equipment to prepare for extensive energy efficiency upgrades that will save hundreds of thousands of dollars in future annual utility costs.
- \$7 million (and growing) has been saved on construction projects involving contaminated soil while also improving environmental stewardship of materials of concern to human or environmental health.
- Pest Management monitors and treats 1,380 hectares of land in and around Saskatoon for mosquito larvae, monitors the entire city for Dutch elm disease and initiates the removal of infected trees, manages nuisance wildlife and administers the provincial *Noxious Weed Act*.

Major Projects and Initiatives

Protecting Air, Water, Soil and Trees

- The City continued its membership in the West Yellowhead Air Management Zone. The province's 12-month air quality study in the Saskatoon region was completed and the City is currently awaiting results.
- The City continues to lead watershed protection and improvement through membership in the South Saskatchewan River Watershed Stewards. Initiatives included workshops for Civic staff on aquatic invasive mussels, planning for an aquatic invasive species campaign, and field work for fish habitat assessments along tributaries of the South Saskatchewan River.
- To enhance spill response capabilities and determine a future level of service that aligns with regulatory requirements, the City updated spill reporting information on the website, created a task force on service analysis, researched spill policy and operations in other municipalities, and evaluated current costs for investigation, containment, and clean up.
- Soil protection and remediation initiatives for City-owned properties included the launch of a web-based map of impacted sites and training sessions for civic staff. Development began on a draft environmental protection plan for use with the map as well as environmental guidelines for contractors.
- To protect the City's extensive urban forest, emergency response plans were completed and put in place for Dutch Elm Disease and Emerald Ash Borer.

Preparing for Climate Change

- City Council approved a report outlining the environmental implications of climate change on civic infrastructure. All City Council and Committee reports now include a section on environmental implications.

Optimizing Service Routes

- New garbage, recycling, and Green Cart program routes were developed using data collected by GPS systems, onboard cameras, computers, and barcode readers on the garbage fleet and recycling carts. The optimized, fuel-saving routes will be introduced in early 2016.

Expanding the Green Cart Program

- The City continued to expand curbside collection of organics (currently leaves and grass) through the Green Cart program. Subscriptions increased from 3,900 in 2014 to over 5,700 in 2015. A survey of subscribers indicated a high level of satisfaction with the current service and a willingness to include food waste collection.

Reducing Greenhouse Gas (GHG) Emissions

- As part of the Energy and Greenhouse Gas Reduction Business Plan, the City established a corporate emissions reduction goal for GHGs. Saskatoon also signed the International Compact of Mayors, which commits the City to the completion of a GHG inventory and updated plan based on the inventory, as well as establishment of a community emissions reduction target.

Launching "Healthy Yards"

- The Healthy Yards program was launched to promote water conservation and waste reduction in the home. The program leverages community partnerships to promote backyard composting and rain-barrel education. Approximately 19,300 "how-to" guides were distributed, 148 residents received in-person training, 115 rebates were issued and online resources were accessed 1,100 times.

Optimizing the Landfill

- To improve the customer experience at the Saskatoon Landfill, improvements were made to internal roads, tipping areas, drainage, signs, and litter clean up, and permanent lighting was installed at transfer bins.
- All major aspects of the Landfill Optimization Strategy are in place. New equipment was acquired to implement alternative daily cover, which reduces litter and leachate generation as well as the need for soil. Environmental monitoring was expanded to include new locations and more frequent sampling.
- Civic departments worked together to develop a vision for the Recovery Park master plan. Located next to the Landfill, Recovery Park will include a 'Take-It or Leave-It' household item reuse centre, recycling depot, and processing areas for soil, stone, bricks, concrete, asphalt, wood, metal, drywall, and glass.

Recycling at Civic Facilities

- An inventory of recycling facilities at civic facilities was complete, and single-stream recycling bins are now in place at most facilities. Employee engagement initiatives addressed barriers and encouraged recycling across the corporation.

A black and white photograph of two firefighters in full protective gear. They are positioned in front of a large fire, with one firefighter holding a hose. The scene is dark and smoky, with bright light emanating from the fire source.

Fire Services

Operating Expenditure Budget: \$45.8 million Capital Budget: \$1.6 million

STRATEGIC GOAL



Quality of Life

Overview

The Saskatoon Fire Department (SFD) is responsible for emergency planning and response to mitigate all incidents of concern within the City of Saskatoon and surrounding rural municipalities that are covered by applicable service agreements. The Department's responsibility to enforce the above initiatives is through both *The Fire Prevention Act 1992* (soon to be *The Fire Safety Act*) and *The Emergency Planning Act*. The responsibilities of the SFD are enabled through *The Cities Act* and then Saskatoon Fire and Protective Services Bylaw 7990 within Part II, Section 4, and codified June 18, 2012. The SFD combines enforcement with proactive prevention and education to align with the City's Strategic Goals of Public Safety and Quality of Life.

At a Glance

- The SFD has 334 staff with 284 in the Operations division and the remainder within the Administration, Prevention, Training, Emergency Measures and Support divisions. The operational staff currently operate 12 front line engines, two rescue trucks and two aerials out of nine fire stations. In 2015, crews responded to 12,618 emergency and non-emergency calls not including inspection activity or community engagement events.
- Through the Fire Prevention division, the Property Maintenance and Nuisance Abatement Bylaw 8175 saw 2,364 complaints which generated 5,949 inspections and re-inspections in 2015.
- The SFD continues to provide the Saskatchewan Rental Housing Supplement Program to improve the overall standard of rental properties in the City. The Fire Prevention division will inspect up to 1,040 single family rental properties to assist clients of social services.
- Through a tiered-response agreement with the Saskatoon Health Region, the SFD plays a major role in the delivery of pre-hospital care to the citizens of Saskatoon. Another area of support is through Needle Safe Saskatoon where the SFD picks up discarded needles in public spaces.
- A new initiative for 2015 was the introduction of the Fire Cadet Program. This is a partnership with the Saskatoon Public School Board. The partnership saw grade 9, 10 and 11 students from Bedford Road Collegiate and Mount Royal Collegiate take part in an eight-week fire training program. The goals of the program are personal development, leadership and teamwork. The program has proven successful and will be expanded for 2016.

Major Projects and Initiatives

Addressing Derelict Structures and Vacant Properties

- The SFD continues to chair quarterly meetings of the Safe Communities Task Force to identify problem residential properties and share information with participating agencies.

Exploring a Future South Saskatoon Location

- The SFD is working with the Saskatoon Land division and the Planning and Development division to identify a future station location to address fire protection needs to the south and east as the city grows.

Leading Disaster Response Training

- The SFD delivered the Regional Resiliency Assessment program with the Saskatoon Police Service, the Water Treatment Plant, and the Wastewater Treatment Plant. An Active Threat Workshop was also delivered at City Hall.

- The SFD continues to lead ongoing Incident Command System training inside the SFD as well as with Saskatoon Police Service, Saskatoon Transit, Emergency Medical Services, University of Saskatchewan Emergency Management team, and relevant City employees.
- The corporate Investing in Leader, Learning and Development Opportunities Course Calendar now includes the Emergency Measures Organization's (EMO) new four-day Emergency Operations Centre (EOC) training program. This program will become the primary emergency management tool for directors and acting staff in the EOC or Command 9.
- Public Safety Canada is renewing funding to Heavy Urban Search and Rescue (HUSAR) teams. The SFD and Saskatoon EMO began discussions with the provincial EMO to determine the best application of HUSAR funding in Saskatoon.

Policing

Operating Expenditure Budget: \$89.6 million Capital Budget: \$1.8 million

STRATEGIC GOAL



Quality of Life

Overview

The 2015 Inshtrix Community Satisfaction Survey indicates that 92 percent of the respondents are satisfied with the Saskatoon Police Service (SPS). Public safety is key to this perception, and is also essential in a healthy, growing community. Individuals, families, community groups, social agencies, businesses, and visitors all benefit from the many programs and services offered through the Policing business line.

The SPS completed a core service review and decided upon its core responsibilities: Emergency Response, Quality Investigations, Traffic and Community Involvement. The redeployment in 2007 positioned the SPS in a very operational stance, with almost all sworn members directly dealing with the public. A further redeployment to put police officers on the street took place in 2015. The Board of Police Commissioners will also examine the options for a complete operational review of the SPS in 2016.

The SPS works in partnership with the community to develop collaborative strategies to reduce crime and victimization. The Service, in partnership with the Saskatoon Tribal Council, Federation of Saskatchewan Indian Nations and the Saskatoon Health Region have formed an Action Accord to reduce the number of intoxicated persons held in police cells. The SPS has also taken a lead position to implement community mobilization with the HUB model bringing together Social Services, Education, Health and Mental Health to assist high risk individuals and families.

The SPS has partnered with the University of Saskatchewan and the Saskatchewan Ministry of Justice – Corrections and Policing for the purpose of conducting police-related predictive analytics. A Memorandum of Understanding was signed by the three parties in August 2015 and the Saskatchewan Police Predictive Analytics Lab, located in SPS Headquarters building, was fully operational in November 2015.

At a Glance

- SPS has 448 police officers, 58.5 special constables and 133.11 civilians for a total of 639.61 staff members.
- The Communications Centre received 261,251 calls. Approximately 30 percent of these were 9-1-1 emergency calls with cars dispatched in 76,745 cases requiring service.
- There were 10,675 arrests processed through the detention area.
- There were 33,444 traffic tickets issued.

Major Initiatives

- Completed the move into the new police headquarters.
- New integrated traffic section with the RCMP, funded through SGI.
- Continued to reduce street crime, with emphasis on robberies, thefts, and mischief.
- Created two Police and Crisis Teams (PACT). PACT partners a police officer with a mental health professional in a team. The team attends calls where their expertise is utilized to assist people in crisis.
- Continued developing a cultural diversity action plan for police to enhance community relations, cultural recruiting, and diversity training.
- Implemented and trained Traffic members to enforce new sections with the Noise Bylaw pertaining to vehicles. Decibel measuring devices will be purchased, traffic officers trained, and special clinics will be held to provide the public an opportunity to have their motorcycles tested for noise levels without the risk of charges.
- "Road to Mental Readiness" training for all officers and civilian staff.
- A monument will be erected in front of Police Headquarters to honor all Missing and Murdered Indigenous Women and Girls.
- In partnership with Saskatoon Crime Stoppers, a Mobile Application will be launched for all IOS and Android users which will allow for mobile access to SPS related electronic services.
- Completed a five-year business plan 2015-2019.



Recreation and Culture

Operating Expenditure Budget: \$53.6 million Capital Budget: \$16.2 million

STRATEGIC GOAL



Quality of Life

Overview

Participation in physical recreation is essential to building healthy, active individuals from childhood to older adult. To enable participation in active recreation experiences for people of all ages, the Recreation and Culture business line provides opportunities to participate in and enjoy the benefits of sport, recreation, culture and park activities. Saskatoon values its people and their strong sense of community; its educational, recreational and sport, and park resources are central to the City's quality of life.

Saskatoon's parks and open spaces provide areas for citizens to play sports, walk, wheel or bike along pathways, and play in playgrounds and paddling pools. In addition, river valley parks are home to many of Saskatoon's festivals and major seasonal special events enjoyed by citizens and visitors to the area.

The Business Line delivers paid admission programs and services, including swimming, skating, fitness, recreation, golfing, the zoo and horticulture displays.

It also supports various community-based boards and agencies that provide programs and services in visual art, performing art and cultural heritage, including the Marr Residence and Albert Community Centre.

At a Glance

- There are 268 outdoor sport fields for activities such as softball, baseball, soccer, slo-pitch, lacrosse, football, speed skating, rugby and field hockey.
- City-operated sport, culture and recreation facilities attract over 1.5 million visits a year.
- At indoor leisure facilities there are 14,350 registered program hours, 15,500 people registered in swimming

lessons, 68,100 hours available for drop-in programs and 35,200 hours rented to community organizations.

- There are over 273,100 visits to the Forestry Farm Park and Zoo, 12,100 visitor nights at the Gordon Howe Campground and 122,700 rounds of golf played.
- The Business Line supports community associations in providing 11,300 hours of year-round low cost or no cost neighbourhood-based sport, culture and recreation programs to 12,000 registrants.
- Approximately 2,500 hectares of park/open spaces and 145 km of park pathways are maintained.
- The neighbourhood summer playground programs with visitation reaching 138,500 included the operation of 30 paddling pools, 17 spray pads, 11 youth centres, 2 travelling program vans and 2 mobile skateboard animators.
- Supporting 16 major culture organizations which attract approximately 600,000 annual visits.
- \$2.75 million in inventory of public art is owned and maintained by the City.
- Recently facilitated a major donation of commemorative art work for the War of 1812 from Whitecap Dakota First Nation valued at \$500,000.
- On average 1,200 trees are planted annually in reforestation projects and new park development.
- River Landing is 14.8 hectares (36 acres) of pathways, green space, public art, a seasonal concession, children's water play feature and Farmers' Market; a public and private development with almost 300,000 annual users of the riverfront trail.

Major Projects and Initiatives

Recreation and Parks Master Plan Approved

- City Council approved the Recreation and Parks Master Plan in November. The plan, which included input from public and stakeholder engagement, provides guidance for future decision making in relation to recreation and parks services, programs, amenities and facilities.

Implementing Saskatoon's Culture Plan

- Culture Plan implementation continued to be a priority. Actions implemented to date were reviewed, outcomes were evaluated and priority actions were determined, one of which was a long-term strategy to support the cultural sector through community investment grants.
- Community Development staff worked closely with festivals and museums in the city centre to encourage collaboration. Particular emphasis was placed on the concept of an emerging "cultural corridor" along Spadina Avenue from Kinsmen Park to the Farmer's Market.
- The City continued to partner with the University of Saskatchewan to update the cultural facilities map and inventory. A university student was hired to research and map all City memorials and monuments dedicated to the Great War (1914-1918). The map is available on the City's website.

New PotashCorp Playland at Kinsmen Park Opens

- Construction was completed in the spring and PotashCorp Playland in Kinsmen Park officially opened to the public on August 5.

Saskatoon Zoo Unveils New Gift Shop and Entrance

- Construction was completed on the new Saskatoon Zoo entrance and gift shop, just in time for the busy summer season.

Football Field at Gordon Howe Park Nearing Completion

- Phase 2 construction of the Saskatoon Minor Football Field at Gordon Howe Park includes three stages. Stage one, the new clubhouse foundation, was completed. Stage 2, the clubhouse exterior and interior finish, was 90 percent complete at year end. Stage 3, the entrance plaza and landscaping, is scheduled for completion in 2016.

Remai Modern Art Gallery of Saskatchewan (AGS) Nearing Completion

- The primary construction contract with EllisDon for the Remai Modern AGS building was approximately 80 percent complete. The contractor projects that construction is due to wrap up in late 2016, which would then allow the building to be prepared to open in early 2017.

City Adds Three New Dog Parks

- A new, fully fenced dog park was opened at Hyde Park (Boychuk Drive and Slimmon Road) and Pierre Radison District Park (33rd Street). Design and public consultation continues on an Off-Leash Recreational Area at Chief Whitecap Park and Hampton Park.

New Service Delivery Model Results in Savings

- The City piloted a new service delivery model in Willowgrove and Hampton Village that puts satellite maintenance buildings and equipment closer to parks in new neighbourhoods. Results showed there was an approximate 5 percent savings in labour costs.

Leisure Centre Initiatives

- City Council approved a report identifying admission price strategies and fee options to increase attendance at leisure centres. The lower LeisureCard prices introduced in September were well received. A LeisureCard Perk program for 12-month LeisureCard holders was developed.

Major Projects and Initiatives

- To increase rental of leisure centre space during low demand times, a Rental Incentive Directive and a Rental Marketing Booklet were finalized late in the year.

Sport, Culture and Recreation

- The City, YMCA, and Saskatoon Tribal Council continued to explore opportunities for building a sport, culture, and recreation facility in the city centre. A needs assessment and feasibility study was completed. Discussions continue around future options.
- The City co-hosted a newcomer artists' focus group as part of the Saskatchewan Partnership for Arts Research, Understanding the Arts Ecology of Saskatchewan. The focus group provided insight on the experiences, challenges, and opportunities that newcomer artists face in Saskatoon.
- New opportunities for neighbourhood-level winter recreation programs were introduced, including learn-to-skate lessons at neighbourhood rinks and a family fun day at Clarence Downey Speed Skating Oval.
- Development of an action plan to ensure residents living near special use parks are able to enjoy the river valley during the special event and festival season included completion of a special event application and information guide.



Photo courtesy PotashCorp

Taxation and General Revenues

Operating Expenditure Budget: \$5.3 million Capital Budget: \$0.0 million

STRATEGIC GOAL



**Asset and
Financial Sustainability**



**Economic Diversity
and Prosperity**

Overview

The property levy is the amount required from property taxes to balance the operating budget. The operating budget changes on an annual basis due to service level changes, growth impacts and inflation among other variables. The 2015 budget saw expenditures increase by \$25.9 million while operating revenues increased by \$16.6 million, creating a funding gap of \$9.3 million. In order to balance the operating budget and reduce the funding gap to zero, an increase of 5.33 percent required from property taxes was approved in the budget.

Grants in lieu of taxation are received from Federal and Provincial governments for properties they own but are exempt from taxation. These are equivalent to the property taxes calculated on these properties and application is made to the governments to pay this amount. In addition, the most significant portion of grants in lieu of taxation comes from civic utilities such as Saskatoon Light & Power, Water, Wastewater and Stormwater. Civic utilities are treated like utility corporations that would pay taxes for using property, both above and below the surface, to conduct their business.

Included in the levy are amounts related to recently annexed properties. The annexation cost is amortized over the agreed upon number of years used to calculate the annexation provision to the RM of Corman Park and is expensed as Tax Loss Compensation.

Also included in this business line are General Revenues that are not dedicated for any particular purpose other than to fund general administration and the provision of any and all programs and services.

At a Glance

Preliminary Assessment Roll for 2015:

Total Assessment for Saskatoon:	\$40,414,997,500
Total Number of Properties:	89,838
Total Taxable Residential Condos:	19,817
Total Taxable Residential (less than 4 units):	62,938
Total Taxable Assessment:	\$32,216,927,200
Taxable portion:	\$24,839,375,364 (77.1% of total)
Exempt portion:	\$7,377,551,836 (22.9% of total)

Major Projects and Initiatives

Exploring Alternative Revenue Sources

- The City continues to investigate alternative revenue sources to alleviate pressure on the Property Tax Levy. The provincial revenue sharing formula, federal gas reserves, and the extended Building Canada Fund all assist with operating and capital funding. The Hemson Growth Study Report was tabled with City Council and outlined issues and recommendations that could lead to enhanced non-tax revenues in the future.

Transportation



Operating Expenditure Budget: \$113.4 million Capital Budget: \$115.3 million

STRATEGIC GOAL



**Moving
Around**

Overview

Saskatoon is growing in geographic size as well as population. As the city grows, the challenges involved in safely and efficiently moving people, services and goods around is become increasingly complex. The Transportation business line brings together a wide range of City services and programs, each of which plays an important role in meeting the transportation needs of Saskatoon residents.

Transportation involves planning, design, building, maintenance, operation and regulation of the City's expanding transportation systems. This includes facilities for all modes of travel – pedestrian, bicycle, vehicle and public transit. Saskatoon Transit provides fixed route service on designated bus routes as well as service for people with mobility issues.

Transportation also involves traffic signal operation, parking control and enforcement, street lighting, seasonal lighting, sidewalk and back lane maintenance, traffic noise attenuation, street sweeping, and snow and ice management. In addition, it provides services for maintenance and rehabilitation (preservation) of all roadway assets including roads, bridges and overpasses, sidewalks, back lanes and pathways.

Finally, Transportation is about planning for the future. A main focus of the Transportation business line is to explore innovative ways to efficiently move people, services and goods, while minimizing environmental impact and promoting sustainability.

At a Glance

- Bridges and structures: seven river crossings; 48 interchanges and overpasses; 24 pedestrian overpasses and tunnels.
- Roads and sidewalks: 4,005 lane km of paved roadways; 200 lane km of gravel roadways; 1,932 km of sidewalks; 453 km of back lanes.
- 220 lane km of road, 400 km of gravel back lanes and 5.4 km of sidewalk were rehabilitated.
- 2,845 tonnes of asphalt was used to repair 163,000 potholes and 1,565 utility cuts.
- Crews worked a total of 90 nights to minimize the impact of road restrictions and delays to drivers and residents.

Saskatoon Transit has a fleet of 188 buses:

- 162 serving Fixed Route demands:
 - 146 conventional 40-foot diesel buses, of which 37 are high floor;
 - 10 articulating low floor 62-foot diesel buses;
 - 6 mid-sized low floor 26-foot diesel buses; and
 - 26 mid-sized para transit diesel buses providing Access Transit Demand Response services.
- Transit operates 365 days a year, and in 2015 had ridership of approximately 12 million.
- 26 bus routes operate on 276 km of streets providing service to 1,668 bus stops.
- Total number of metered parking stalls: 2,800.

- Total number of traffic signals: 285.
- Total number of traffic count stations: 520.
- Total kilometres of dedicated cycling facilities: 1,194.
- Total Number of work requests issued from Public Works Customer Service Centre in 2015: 38,000.
- Approximately 2,300 walkways are maintained between May and September.
- Proportion of workers in Saskatoon commuting to work by car, truck or van, by public transit, on foot, or by bicycle, census metropolitan areas as provided by Statistics Canada, National Household Survey, 2011: Walking – 5.1 percent; Bicycle – 2.0 percent; Public Transit – 4.4 percent; Car, Truck or Van (Driver and Passenger) – 86.5 percent.
- Total number of street lights: 30,340.
- Total number of seasonal decorations on street lights: 483.

Major Projects and Initiatives

Growing Forward! Shaping Saskatoon

- The Growing Forward! Shaping Saskatoon planning initiative is exploring ways to encourage sustainable growth and provide more attractive transportation options as Saskatoon grows (see Urban Planning and Development business line).

Improving the Transit Experience

- A targeted marketing campaign was developed to encourage citizens to use the bus while the University Bridge was closed for repairs, and also to encourage citizens to continue using the bus when the bridge reopened.
- City Council approved Saskatoon Transit's Fleet Renewal Strategy. Over the next 10 years, key initiatives include reducing the overall age of the bus fleet from over 11 to seven years, buying 10 new buses a year, providing full accessibility, air conditioning and other amenities on every bus, and adding more articulating buses on busy routes.
- Implementation of the Intelligent Transportation System and software upgrades continued. Real-time mapping was launched in February along with the new Transit website; the stop announcement system was launched in September.

Neighbourhood Traffic Management Process

- Implementation of Neighbourhood Traffic Plans began for Brevoort Park, Caswell Hill, City Park, Haultain, Holliston, Hudson Bay Park, Mayfair, Nutana, Varsity View, and Westmount. Signs and temporary traffic calming installations were completed for all neighbourhoods except Nutana (remaining sign installations scheduled for 2016). Additional public

consultations were held in Varsity View to address speeding and traffic volume on Main Street. Public consultation began for Avalon, Adelaide-Churchill, Confederation Park, Mount Royal, Lakeview, Meadowgreen, Montgomery Place, and Greystone Heights.

New FlexParking System Launched

- The City completed activation of 300 FlexParking pay stations in the downtown core, Riversdale, Broadway, Sutherland, Saskatoon City Hospital, and St. Paul's Hospital areas. The system provides several payment options and allows drivers to park at various locations around the city on a single payment.
- The City also introduced a new version of the City Parking Card, which is compatible with the FlexParking system.

North Commuter Parkway and Traffic Bridge

- The North Commuter Parkway and Traffic Bridge Replacement Project is part of the Bridging to Tomorrow initiative. The project was awarded to Graham Commuter Partners in September, and the first stage of berm construction for the Traffic Bridge was completed in December.

Building Better Roads

- Aimed at repair, but also improving traffic flow to reduce congestion.
- Since the Building Better Roads rehabilitation project was launched in 2013, the City has improved more than 420 km of roadways – about the distance between Saskatoon and Medicine Hat.

Urban Planning and Development

Operating Expenditure Budget: \$13.9 million Capital Budget: \$2.4 million

STRATEGIC GOAL



**Economic Diversity
and Prosperity**



Quality of Life



**Sustainable
Growth**

Overview

The primary goal of the Urban Planning and Development business line is to build an increasingly sustainable community over time with an enhanced quality of life, consistent with the vision and core strategies of the City's Strategic Plan. This is accomplished through the provision of a variety of interrelated services.

One service in line with the plan is to renew and sustain existing areas of the City. This is possible through local area plans, neighbourhood rejuvenation projects, Crime Prevention Through Environmental Design (CPTED) reviews, incentive programs, licensing and civic bylaw enforcement. Other incentives include renewed focus on improving the City Centre and making strategic investments to improve the public realm to enhance public spaces and attract investment and residents to the City Centre.

Urban planning and development encourages economic development by collaborating with local and regional business organizations, assisting the start-up of new business and providing advice and timely reviews for new development applications. The City also works with regional partners to build capacity and accommodate development in an economically and environmentally sustainable region.

Providing timely reviews of building permits and development applications, performing building and plumbing inspections to ensure health and safety of owners and occupants are other services in line with the City's goals. Effective licensing of new and established businesses ensures healthy and fair marketplaces, which help people and businesses thrive.

Enhancing the quality of public spaces throughout the City is also integral to building a sustainable community. This is possible through streetscape master plans and urban design projects in key areas such as the downtown, business improvement districts and growth corridors. This includes development of design guidelines for neighbourhood infill, growth corridors and strategic area development.

The City also works with community partners, Business Improvement Districts and builders to ensure an adequate supply of attainable housing choices, including support for homelessness initiatives. This includes continually monitoring the quality of life in our community with our partners at the University of Saskatchewan and the Saskatoon Health Region to facilitate the ongoing evaluation of our Strategic Plan performance.

In recent years it has become increasingly apparent that the sustainability of our community from an economic, environmental, social and cultural perspective will require new approaches to the way we plan and build our city. Clear, concise communication with City Council, excellent customer service for our clients and a meaningful consultation with our stakeholders are foundational principles upon which the Planning and Development business line operates.

Planning for future growth of the City requires a development plan that links land use, transportation and infrastructure in ways that are more effective, efficient and sustainable. The City's new Growth Plan to Half a Million will be submitted to City Council in 2016 and contains 'made for Saskatoon' growth strategies for the next 30 years. Together, these strategies will guide Saskatoon to a more sustainable future.

At a Glance

- Saskatoon continues to grow, with over 260,000 people (est.) in the city and over 300,000 in the region. It is estimated that Saskatoon has grown by over 8,500 people in the last year.
- Over 1,500 Development Permits were issued.
- 19 CPTED reviews were conducted in various parks, neighbourhoods and on major capital projects to ensure safe design of buildings and sites.
- 7 Vacant Lot Incentive Applications were approved for various projects under the Vacant Lot and Adaptive Reuse Incentive Program, which supports and encourages infill development on chronically vacant sites and the adaptive reuse of vacant buildings within Saskatoon's established neighbourhoods.
- 37 OCP amendments and Rezoning Requests received.
- 20 Discretionary Use Applications received and processed including the first garden and garage suite applications and continued strong demand for more care homes.
- 82 Subdivision Applications Processed which reflects a very strong demand for new, fully serviced residential, commercial and industrial lots.
- 21 Condominium Applications Received creating many attainable dwellings for ownership.
- There are 14 neighbourhoods with approved Local Area Plans (LAP), one LAP nearing completion and one underway.
- 560 Attainable Housing Units supported through various programs contained in the City's Ten-Year Housing Business Plan.
- 1.65 million in streetscaping projects mainly completed on 20th Street and Central Avenue since 2012.
- 10,659 licensed businesses were operating in Saskatoon (an increase of 2,204 since 2008).
- Over 500 property-use complaints were received requiring specific action by bylaw enforcement staff.
- 4,750 building permits were issued with an estimated construction value of over \$1.0 billion dollars.
- The Community Standards division is now in place to provide enhanced service levels for bylaw enforcement and customer service. The mandates of bylaw enforcement and business licensing within the division are under the jurisdiction of both the Business License and Bylaw Compliance services lines.

Major Projects and Initiatives

Community Support Officer Program Becomes Permanent

- The success of the Community Support Program pilot, supported by results of the 2015 Street Activity Baseline Study Update, led City Council to resolve to make the Community Support Officer Program permanent.

Developing a New Heritage Registry

- After City Council approved an updated Heritage Policy to better integrate heritage and urban development, work began on the new Heritage Registry. The registry is scheduled for roll-out on the City's website in 2016.

Enhancing Relationships with First Nations

- First Nations with land holdings and Reserves in the Saskatoon region continued to participate in regional planning discussions through the Broader Regional Committee, led by the Saskatoon Regional Economic Development Authority. To encourage ongoing partnership opportunities, First Nation Community Profiles were developed for 11 First Nations in

the Saskatoon region. The first of three workshops for First Nations and municipalities, "Prosperity Through Partnerships" was held in December and focused on land claims, working cooperatively, and development. Additional workshops are planned for early 2016.

Plans for Growth

- Local Area Plans (LAP) for Mayfair and Kelsey Woodlawn were endorsed by City Council, work continued on the LAP for Meadowgreen, and the Montgomery LAP was launched.
- The North Sector Plan was approved by City Council after revisions based on public engagement input and alignment with the Wanuskewin Heritage Park Master Plan and 2015 Boundary Alteration.
- Development of a long range South West Sector Plan continued. The plan's vision was presented to the community as part of the Montgomery Place LAP process.
- Amendments to the Holmwood Sector Plan got underway, with completion expected in early 2016.

Major Projects and Initiatives

Growth Plan to Half a Million

- Will be submitted to City Council in 2016, the City will be looked upon to provide leadership and vision to implement the key directions contained in the Growth Plan. This involves moving the Plan from a 'project' to 'business as usual' by incorporating the key directions within City policy.
- Key directions include: corridor redevelopment, Bus Rapid Transit deployment, long range transit plan, and core area river crossing.
- **Employment Area Plan** is the development of a new high-level employment area growth plan. This plan will utilize existing information bases to draw relevant data and begin to form a new plan to identify and accommodate new employment areas and tie directly into the City's new Growth Plan to Half a Million.

Streetscaping Transforms Key Areas

- Streetscaping projects on 20th Street West and Phase 2 of Central Avenue were completed, creating a vibrant and cohesive retail corridor that celebrates the unique character and diverse cultures of each area. Improvements included installation of bus and corner bulbs, paved amenity strip, street trees, new sidewalk furniture, bike racks, and public art.
- 21st Street will get a facelift in 2016 as part of a program to maintain existing streetscaping.

Neighbourhood Level Infill Development Guidelines

- To implement the new Neighbourhood Level Infill Development Guidelines, amendments to the Zoning Bylaw for Primary Dwellings were approved and a review of amendments for four-unit dwellings on corner sites began.

New Regional Planning Framework

- The City is partnering in the Saskatoon North Partnership for Growth (P4G) to develop a new regional planning framework, that will be completed by mid-2017, to accommodate development in the Saskatoon region. The Regional Plan will include plans for land use, transportation, and infrastructure to enable the region to grow in a coordinated, sustainable way in the decades to come. It will also include recommended governance and a preferred administrative structure. An interim development strategy as well as vision, guiding principles, and strategic directions were approved in May, public open houses were held in June, and a State of the Region report was posted on the project website in September. Public and stakeholder engagement is anticipated in 2016. First Nations engagement has been occurring throughout the process.
- **Active Transportation Plan** creates a new vision of how our citizens can live more actively through their travel choices. The current Cycling Plan needs to be refreshed and renewed with initiatives that reflect current and future trends in active transportation. This plan will also include a Pedestrian Plan. A Bikeway Demonstration project was implemented in 2015 and will continue into 2016.
- **New Natural Areas Policy and Management Plan.** In cooperation with Parks, lead the development of a new Natural Areas Policy, including communication, education, and new Management Plan.
- To begin implementing the Regional Plan by 2018, assuming the Councils of the P4G municipalities have adopted the Regional Plan.
- To pursue necessary legislative changes to implement the Regional Plan. Current legislative tools are insufficient to meet the changing needs required for Regional Planning. The specific changes will be determined during the Regional Plan process.

Utilities

Operating Expenditure Budget: \$289.3 million Capital Budget: \$59.8 million

STRATEGIC GOAL



**Asset and
Financial Sustainability**

Overview

Electricity, quality drinking water, collection and treatment of wastewater, storm water collection and residential recycling are basic amenities provided through the Utilities business line. Utilities are not only responsible for keeping the lights on, taps flowing and toilets flushing, they are also responsible for the long-term, sustainable management of Saskatoon's water and energy resources.

Saskatoon Light & Power provides safe, reliable and cost-effective electricity to its customers in an environmentally responsible way. The Water Treatment Plant and water distribution system deliver treated water to Saskatoon households, businesses and institutions, and also to users outside the City limits on a fee-for-service basis. The Wastewater Treatment Plant treats wastewater that is delivered to the Plant by an extensive network of pump stations and underground pipes, and returns high quality water back to the South Saskatchewan River. The storm water management system is a separate network designed to drain storm water away from streets and buildings. Waste Services manages the residential recycling and yard waste collection programs.

Fees generated by services within the Utilities business line are an important source of revenue for the City. In the 2016 budget, contributions of \$56.2 million are made available to the City in order to help offset property taxes and fund various municipal projects.

At a Glance

- Saskatoon Light & Power's distribution network includes 1,171 km of overhead lines and 615 km of underground power cables.
- The Water Treatment Plant treats approximately 42 million cubic metres of water per year. The water distribution system is comprised of 1,132 km of water mains, 13,657 valves, 7,063 hydrants and 71,096 service connections.
- The Wastewater Treatment Plant treats approximately 33 million cubic metres of wastewater per year. The wastewater collection system is comprised of 1,013 km of sanitary mains, 11,298 manholes, 44 km of force mains and 69,635 service connections.
- The storm water management system includes 698 km of storm sewers, 8,710 manholes, 12,819 catch basins, 20 wet ponds, eight dry ponds, three natural ponds, and two constructed wetlands.
- Curbside recycling services are provided biweekly to 67,000 homes and multi-unit recycling services are provided to 33,000 apartment and condominium units.
- Compost depots receive approximately 20,000 tonnes of leaves, grass and branches annually, including yard waste collected from approximately 6,000 subscribers to the Green Cart Program.
- The Leaves and Grass (green cart) Subscription Program provides biweekly curbside collection of yard waste to households interested in this seasonal program.
- As the City continues to strive to become more self-sufficient from an energy perspective, opportunities to expand the Green Energy Park continue to be explored.

Major Projects and Initiatives

Exploring Alternative Revenue Sources

- The City continues to investigate alternative revenue sources to alleviate pressure on the Property Tax Levy. The provincial revenue sharing formula, federal gas reserves, and the extended Building Canada Fund all assist with operating and capital funding. The Hemson Growth Study Report was tabled with City Council and outlined issues and recommendations that could lead to enhanced non-tax revenues in the future.

CALA Accreditation

- The new Environmental Lab at the Wastewater Treatment Plant received ISO/IEC 17025:2005 accreditation from the Canadian Association for Laboratory Accreditation (CALA).

Power Generation Initiatives

- Saskatoon Light & Power continued to explore options for new green energy generation projects. Preliminary meetings were held with potential partners to discuss development of a hydropower project, and the City continued to work with partners on two solar power projects at the Saskatoon Landfill.

Spadina Lift Station Upgrade

- Work began on the major upgrade to the Spadina lift station, part of a \$9 million upgrade to improve the efficiency and reliability of key lift stations in the City's waste water collection system. The Spadina lift station handles approximately 60 percent of the city's wastewater. Major underground work was completed and generator room walls were poured by year end.

42nd Street Reservoir Expansion

- The \$2.2 million expansion of the 42nd Street Reservoir was completed, and the new reservoir and pump house were commissioned. The expansion will serve the growing needs of the city's industrial and northeast residential areas.

Wastewater Operations/Maintenance Facility

- The Wastewater Utility moved forward with a \$10 million odor abatement project. The project is expected to reduce approximately 76 percent of all odor emissions during normal operation. Construction of mechanical installations in the bioreactor zone as well as a continuous odor monitoring system (Odowatch) were completed.



Land Development

Operating Expenditure Budget: \$8.4 million Capital Budget: \$147.8 million

STRATEGIC GOAL



**Asset and
Financial Sustainability**



**Sustainable
Growth**

Overview

Saskatoon Land, Corporate Projects and the Land Development-Capital program, are each devoted to ensuring an adequate supply of new infrastructure is in place to accommodate new development and core civic services. A healthy land development industry plays an important role within an expanding economy. It provides the base upon which immediate and future growth will thrive.

Saskatoon has witnessed considerable economic growth in recent years – growth that would have been constrained if sufficient land had not been available for development. The Land Development business line responds to the needs of a variety of customers in the housing, commercial, institutional and industrial sectors. It invests capital dollars in the provision of municipal infrastructure and creates demand for durable products and employment. This adds value to the economy and encourages job growth, positive net migration and other important multiplier effects. Over the past five years significant investment has been made to accelerate infrastructure extensions into new developments in the Holmwood, University Heights, Blairmore and Marquis Industrial Sectors. These new growth areas and various infill developments, throughout the City, will play a vital role in providing the serviced land that will accommodate new housing and commercial investment in the City over the next five to ten years.

Projections for growth in the community remain positive; however, most economic indicators suggest a moderation of population and employment growth will occur in Saskatoon throughout 2016. Reduced land absorption and increases in residential and industrial serviced land

inventories have occurred in the Saskatoon market over the last two years, requiring developers to reevaluate previously planned servicing.

The City of Saskatoon is unique in that it is a land developer. Saskatoon Land operates on a level playing field with the private sector. It is mandated to:

- ensure adequate levels of serviced residential, institutional and industrial lands are available at competitive market values;
- to provide innovation and leadership in design for new growth, and
- to provide financial returns at competitive rates of return on investment to the City for allocation to civic projects and programs. Saskatoon Land is operated on a for-profit basis, with 100 percent of the surplus funds allocated for reinvestment in the community.

Another essential element in ensuring success of the land development business objectives is performed by Real Estate Services. This Section of Saskatoon Land is responsible for all real estate functions and activities for the Corporation including the acquisition of future development lands and all corporate land requirements, administering of both internal and external leases, coordinating and overseeing the maintenance of lands held for future development, providing valuations and providing real estate advice to the Corporation as a whole. This section is also responsible for the planning and implementation of the City of Saskatoon's corporate accommodations plan.

The Land Development-Capital program includes the construction of arterial roadways, trunk sewers, primary water

mains, roadway interchanges, lift stations and suburban park development. These projects are funded from the collection of offsite levies collected from all land developers and are necessary for the City to support continuous urban growth.

At a Glance

- Since 2007, City Council has committed \$123.3 million from the City's Neighbourhood Land Development Fund towards a variety of projects, including the recent roadway maintenance investments, Pleasant Hill neighbourhood revitalization, affordable housing incentives, local area road upgrades, operating budget contributions and designated future land acquisitions.
- The Real Estate Section of Saskatoon Land has facilitated the acquisition of 1,850 acres of land over the past two years.
- Development levies collected from prepaid servicing rates are used to fund installations of trunk sewers, arterial roads, storm ponds, lift stations, park development, primary water mains and a portion of new roadway interchanges.
- Throughout 2015, Construction and Design has provided technical services for private development and delivered approximately 63 internal projects that service Major Projects, Urban Design, Transportation, Saskatoon Land and Public Works.

New Land Development in 2015:

- 37.2 lane km of new local and collector roads
- 10.3 lane km of new arterial roads
- 15,300 m of new water mains
- 16,400 m of new sanitary sewer mains
- 11,000 m of new storm sewer mains

Major Projects and Initiatives

Neighbourhood Concept Plans

- **Blairmore 3:** The draft concept plan was completed for Blairmore Neighbourhood 3.
- **Elk Point:** The draft concept plan was updated to reflect comments from the Transportation division.
- **University Heights 3:** Background studies and initial design work were nearing completion by year end.

New Single-Lot Development

- **Aspen Ridge:** Servicing was completed on 134 lots on Fast Crescent. Approximately half of the lots were sold in a November lot draw, with 69 lots remaining in inventory.
- **Elk Point:** Servicing is on hold pending concept plan approval and sufficient build out in Kensington, but grading of constructed wetlands and primary waterline installations is proceeding.
- **Kensington:** Servicing and roadway work for 268 lots continues. Release of lots will depend on absorption of the 220 lots remaining in current inventory.
- **Marquis Industrial:** Servicing of 14 parcels totaling 35 acres was completed in August. Remaining industrial servicing will be carried forward to 2016.
- **Parkridge:** The lot draw for 174 lots was held in April, with 159 lots remaining in inventory.

New Multi-Family Land Development

- **Aspen Ridge:** Servicing was completed on three parcels totaling 6.4 acres.
- **Evergreen:** Servicing and roadway work began on 18.22 acres of multi-family land. Sale by public tender will depend on market demand.
- **Kensington:** Servicing and roadway work began on 16.5 acres of multi-family parcels. Pricing was approved for three completed parcels on Kensington Boulevard.

Services Provided by City Departments

Office of the City Manager

The City Manager is the chief administrative officer of the City of Saskatoon. The position is responsible for planning, directing, supervising, coordinating, and controlling all municipal operations as approved by City Council.

The City Manager's responsibilities include providing assistance and advice on various aspects of municipal operations, investigating and reporting on all matters referred by City Council and its committees, and submitting the capital and operating budgets to City Council for review.

The City Manager chairs the Leadership Team (comprised of the General Managers of Corporate Performance, Asset and Financial Management, Community Services, and Transportation and Utilities, the City Solicitor, and the Director of Government Relations), which is responsible for coordination of all City-wide management and operational matters.

The City Manager is the direct supervisor of all General Managers and through them, all Directors and civic employees (except for those boards and commissions which are responsible to City Council). This includes the appointment, promotion, demotion, and suspension of employees of the City, except those employees appointed directly by City Council.

Government Relations

Government Relations is primarily responsible for building and maintaining relationships with other municipalities, municipal associations, federal and provincial orders of government. In performing this key function, the Division analyzes key policy decisions, issues, and trends emerging from other orders of government, including Aboriginal governments, public policy institutes, and the media as related to the policies and operations of the City of Saskatoon.

Office of the City Clerk

The primary responsibility of the City Clerk's Office is to administer the City's legislative processes. Responsibilities include: preparing and distributing agendas, minutes, and decisions of City Council and its committees; ensuring that the business of City Council and its committees is conducted in accordance with *The Cities Act* and other relevant legislation; maintaining corporate records and City Archives; conducting municipal elections, administering the provisions of *The Local Authority Freedom of Information and Protection of Privacy Act*, and providing administrative support services to City Councillors.

Office of the City Solicitor

The Office of the City Solicitor provides general and specialized legal services for the corporation. While it reports directly to City Council, the Office also provides legal services to all civic departments and boards. The major areas of responsibility include giving legal advice to City Council, Committees of Council, the City Manager, the City Clerk, and other civic departments; representing the City at all levels of court; doing all of the legislative drafting and all bylaw enforcement prosecutions and appeals for the City; and providing a wide variety of legal work such as land transactions, contracts, loans and debentures, expropriations and tax collections, and also arranges for insurance for the City and deals with all claims made by or against the City.

Asset and Financial Management Department

The role of the Asset and Financial Management department is to ensure the management and sustainability of the City's financial transactions (including all aspects of finance, purchasing, and inventory), the Land Bank Program, the City's real estate needs, and the City's facilities and fleet services. These responsibilities and services are delivered through six divisions.

Assessment and Taxation

The Assessment and Taxation division is responsible for the establishment of property assessments for all real property within the City of Saskatoon. This area creates both the property assessment and taxation rolls, and provides for the defense of assessment values before the Board of Revision and the Assessment Appeals Committee of the Saskatchewan Municipal Board.

Corporate Revenue

The Corporate Revenue division is responsible for the collection, control, and disbursement of all corporate funds, including the investment, debt, and banking requirements. Other responsibilities include oversight of accounting controls and cash handling procedures throughout the organization, as well as administration of the General Licensing and Taxi Bylaws regulating, among other things, the taxi service in Saskatoon.

Corporate Risk

Corporate Risk promotes the development of a risk-aware and risk-smart culture in all areas of the City's strategic and business planning operations, and administers the City's internal audit function. The Division also reviews and analyzes risk exposures and mitigation strategies and accountabilities to control exposure and promote the achievement of corporate goals and reviews risk management best practices to ensure that the City maintains a high quality risk management program.

Services Provided by City Departments

Facilities and Fleet Management

The Facilities and Fleet Management division is responsible for the City's buildings and structures, the City-owned vehicle and equipment fleet, and the City's radio communications system. As such, the Division provides for building operation and maintenance of civic facilities such as leisure facilities, fire halls, transit buildings, City office buildings, and contracted services for the Boards. Project management services for any capital or maintenance projects are provided, including design, contract tendering and award, and construction management. Energy management, space management, and accommodation planning are also provided for user departments.

Finance

The Finance division is responsible for providing corporate financial recording, reporting, and control; supplier payments; administration of the City's Operating and Capital Budget process; employee payroll and benefits; and payments to superannuates. In addition, general financial management services are provided to all departments and boards.

The Materials Management section is responsible for providing procurement and inventory management, asset disposal, and mail and printing services to the corporation. This Section also operates a central stores facility and provides inventory management services to the Corporation.

Financial Planning

Financial Planning is responsible for leading the financial component of all large-scale projects using Public Private Partnership (P3) or other alternative procurement methods, developing complex and strategic funding plans for Gas Tax and large-scale future capital projects, and investigating alternative funding scenarios for unfunded large-scale projects. This Division also researches funding opportunities, develops and submits funding applications and claims, and coordinates other contractual obligations such as the audit requirements for other government funding.

Saskatoon Land

The Saskatoon Land division plans, services, and sells residential, commercial, and industrial lots owned by the City of Saskatoon. The Division is also responsible for urban design which provides design services for streetscape projects and programs primarily in Saskatoon Business Improvement Districts.

Community Services Department

The Community Services department provides programs, services, and resources to create a community in which people of all ages and cultural backgrounds want to live, work, play, and visit. Through community consultation and

the dedication of City employees, the City continues to strive for excellence.

Business Administration

The Business Administration division provides coordinated support for the following functions: financial accountability; implementation and maintenance of business and information management systems; marketing strategies and communication programs; human resource management; and clerical services.

Building Standards

The Building Standards division issues building and plumbing permits, and administers inspection programs related to regulations contained in the Building Bylaw, the Swimming Pool Bylaw, *The Uniform Building and Accessibility Standards Act*, the National Building Code, and the Plumbing and Drainage Regulations.

Community Development

The Community Development division provides the supportive environment to help build capacity and empower people of the community to organize themselves for planning and action. The mandate of the Division includes supports to community associations, community grants, accessible no-cost, low-cost programming opportunities, Aboriginal leadership initiatives, support for public art and cultural organizations, immigration initiatives, cultural diversity race relations initiatives, and community partnerships and initiatives (i.e. Graffiti Reduction, Collaborative Funders, Age Friendly, White Buffalo Youth Lodge, etc.).

Community Standards

The Community Standards division exists to create a healthy and happy community by effectively upholding, enforcing, and communicating our standards and bylaws. Through business licensing, zoning compliance, general bylaw enforcement, and parking management the Division helps to ensure citizens understand what they need to do to live in harmony with their neighbour and contribute to a healthy society.

Recreation and Sport

The Recreation and Sport division provides a wealth of opportunity for citizens to participate in and enjoy the benefits of recreation, sport, culture, and activities. Such activities are a core element of Saskatoon's quality of life and an essential part of the individual and community health. Programming is offered through leisure centres, rinks, a zoo, golf courses, a campground, a speed skating oval, sport-fields, and various park locations.

Services Provided by City Departments

Parks

The Parks division is responsible for developing, preserving, and enhancing the City of Saskatoon's investment of its parks system and civic open spaces. This is accomplished through policy development, maintenance standards, public education process, community gardens, educational program development, developing safety standards and policies, conceptual planning, design and construction, consultation with both private and public stakeholders, and project management.

Planning and Development

The Planning and Development division is responsible for overall land use planning and development activity in the City of Saskatoon. The primary goal of the Division is to build an increasingly sustainable community over time, with an enhanced quality of life, consistent with the vision and core strategies of the City's Strategic Plan. The mandate of the Division includes primary responsibilities for district and regional planning, future growth, land use and zoning policy, development review, sector planning, long range transportation and transit plans, revitalizing existing communities, urban design, affordable housing, community safety, community and demographic research, mapping, and heritage management.

Corporate Performance Department

The Corporate Performance department incorporates the private sector best practice of grouping a range of corporate services to ensure support functions work together to help front-line civic staff deliver the services to our citizens.

Aboriginal Relations

Aboriginal Relations is primarily responsible for building and maintaining relationships with the Aboriginal community, municipal associations and Aboriginal governments. In performing this key function, Aboriginal Relations analyzes key policy decisions, issues and trends emerging from other orders of government (including Aboriginal governments), public policy institutes, and the media as related to the policies and operations of the City of Saskatoon.

Communications

The Communications division – and its inter-related functions including Corporate Communications, Customer Service, Community Engagement, and Digital Programs – plans and directs all corporate communication activities for the Civic Administration, including the development and implementation of employee and public relations strategies. Communications assists with engaging and informing the public of the City's operations and initiatives through reports

to the City Council, information campaigns, and on the City's digital platforms including the website. Communications provides support to administrative staff to communicate and engage directly with the public on programs and services. Communications also coordinates its activities with Media Relations and the Emergency Measures Organization (EMO) to oversee the Emergency Public Information Plan and NotifyNOW.

Environmental and Corporate Initiatives

The Environmental and Corporate Initiatives division leads initiatives that address City Council's Strategic Goal of Environmental Leadership and major city-building projects that enhance quality of life. Corporate Initiatives include the planning, design, and facilitation of major city-building projects.

The Division develops and implements plans to achieve the waste diversion objectives established by City Council. Programs include recycling, composting, household hazardous waste, and the recycling of construction-related materials.

Human Resources

The Human Resources division provides general and specialized services to the civic departments and boards designed to maximize employee performance. To ensure consistency in human resource practices, primary focus is placed on the following key areas:

- **Administration:** Provides support services to the department in the areas of administrative and human resource services.
- **Client Services – Human Resources:** Provides support in the areas of recruitment, training, coaching, job evaluation and classifications, conflict resolution, grievance hearings, investigations, contract negotiations, and legal interpretations.
- **Client Services – Occupational Health and Safety:** Provides support for employees, supervisors, and managers through the Health Management System for both occupational and non-occupational injuries and illnesses. Promotes a healthy workplace and wellness initiatives supporting work-life balance.
- **Culture and Diversity:** Provides support to attaining a workforce representative of the public served and enables inclusive, multi-generational workforce practices through openness and accountability. Offers culture change initiatives and continuous improvement through innovation.
- **Total Rewards:** Provides strategies to attract, motivate and retain employees. Delivers in-house expertise and administration related to employee recognition, work-life balance, succession planning, and benefit plans and entitlements.

Services Provided by City Departments

- **Policy, Strategy, Performance and Quality:** Provides strong management and fiscal responsibility through technology and innovation. Develops policies, planning and priorities, performance, data analytics, and metrics.
- **Engagement:** Provides direction and support to organization development initiatives. Assists departments to be effective and efficient through support in employee engagement, change management, training and development, conflict management, and respectful workplace.

Information Technology

The City of Saskatoon embraces technology as a means to enhance the quality and responsiveness of its services to residents, increase the efficiency of operations, and position the City nationally as a leading place to incorporate the creative use of technology into personal and professional pursuits.

The Information Technology division consists of Application Delivery Services, Corporate Support Services, Technology Integration Services, and Corporate Geographic Information Services.

Media Relations

Media Relations manages and coordinates the City's interaction with the local, provincial, national and international news media. It guides the distribution of corporate News Releases and Public Service Announcements, as well as City-related information for journalists. Media Relations has also adopted the role of shepherding City messages in social media. A full-time resource is devoted to sharing, monitoring, and responding to public information requests via the City's Facebook, Twitter and YouTube channels. Media Relations periodically consults and co-operates with Saskatoon Police Service Public Affairs officials when certain bylaw initiatives need to be communicated to the public through the news media.

Strategic and Business Planning

The Strategic and Business Planning division is responsible for the implementation of the Strategic Plan, aligning the Annual Business Plan and Budget with the Strategic Plan, and developing a Performance Measurement Program to track the performance of the Corporation relative to the Strategic Goals outlined in the Strategic Plan.

One of the key deliverables from these initiatives is to create a culture of innovation and creativity within the Corporation through the implementation of a Continuous Improvement Strategy.

The Division also provides corporate leadership and development opportunities that enhance an employee's understanding of the Corporation, their work environment,

and their role and responsibilities so they can provide the highest quality of service to citizens.

Ongoing learning and development opportunities fall into four categories: General Training, Professional Development Training, Supervisor and Manager Training, and Management Development.

Saskatoon Fire Department

The Saskatoon Fire Department (SFD) provides 24-hour emergency response service in conjunction with the Saskatoon Emergency 9-1-1 Telephone System. This gives residents of Saskatoon an emergency protective services delivery system consisting of a wide range of components for the sole purpose of preventing emergencies and reducing the loss of life and property. The SFD responds to, and mitigates, emergencies involving the rescue of persons, incidents of fire, unplanned releases of dangerous goods, and pre-hospital emergency medical incidents. The SFD provides community-based, customer-focused service to create a safe and comfortable environment for the residents of Saskatoon and visitors.

The SFD protects the City's tax base and supports economic development through extensive inspection, prevention, and enforcement programs carried out by the Fire Prevention and Investigation Division. In early 2014, fire and bylaw inspection data started being entered into the department's Fire Dispatch Management (FDM) Records Management System, aligning preventative inspection data with incident response data.

The Department's Community Relations division works within the community promoting fire safety and injury prevention. Presentations are offered to students, community groups, parenting resource programs, seniors, and employee groups always focusing on the advancement of public safety. The Division, through Program Firestop, also provides education to parents and children, and referral for juveniles suspected of setting fires. Another main focus of the Community Relations division is partnering with school boards, service clubs, and businesses to enhance the role in the community we serve.

The SFD manages the Saskatoon Emergency Measures Organization (EMO). Saskatoon EMO ensures a coordinated and timely response for complex and/or escalating emergencies for the City of Saskatoon and its external partners through the maintenance of an overarching emergency plan. EMO also trains the appropriate personnel to operate effectively at the incident site or in the Emergency Operations Centre (EOC). EMO personnel respond to a variety of incidents to facilitate the command process and tie site activities into the EOC. The EOC assists the City of Saskatoon to effectively prioritize the response and recovery tasks typically required during and after large-scale emergencies or declared disasters.

Services Provided by City Departments

As the sole administrator for the City of Saskatoon emergency mass notification system, NotifyNOW, EMO provides training and message mapping to internal and external stakeholders and customer service for the citizens of Saskatoon.

Outside the city limits, the SFD also has agreements to provide support for fire protection. The Department has eight Fire Service Agreements with surrounding rural municipalities, towns, villages, Whitecap Dakota First Nation, and English River.

Transportation and Utilities Department

The Transportation and Utilities department brings together the majority of utilities that generate revenue from fees charged directly to the user, such as electricity, water, or transportation. This Department is also responsible for the planning, operation, and maintenance of many of the City's assets including those involved with water distribution, sanitary sewage collection, storm water collection, roadways, and bridges. The Department is divided into eight divisions.

Business Administration

The Business Administration division provides financial leadership to all Divisions of the Department. This includes providing advice or direction for budget submissions, managing the revenue processing, financial reporting, managing the accounting process for the Department's assets, financial audits in coordination with the auditor, and managing the Department's payroll and accounts payable function.

Construction and Design

The Construction and Design division delivers municipal infrastructure projects, provides regulatory oversight, maintains infrastructure records, and provides expertise, advice, and guidance on municipal infrastructure. These services allow the City of Saskatoon to provide and maintain a high quality of infrastructure in a safe and cost effective manner to its Citizens.

Major Projects

The Major Projects division provides project delivery services for the Corporation for major projects that do not fit into the typical scope of the other divisions. The Asset Management section of Major Projects is responsible for the stewardship of asset condition status, rehabilitation programs, and funding levels for our roadways, bridges, and water and sewer collection and distribution system.

Public Works

The Public Works division is responsible for the operation, maintenance, and preservation of roads, lanes, sidewalks,

water mains, sanitary sewer mains, storm sewer mains, and waste handling and disposal services.

Saskatoon Light & Power

The City of Saskatoon operates an electric utility providing electrical service to the area of Saskatoon that lies generally within the 1958 city boundary. Bulk electrical power is purchased from the provincial crown utility, SaskPower, and through a system of transmission lines, substations, and distribution lines with associated distribution hardware, this utility distributes electricity to customers on demand at locations and at voltages appropriate to their needs. The utility is also responsible for the street lighting system.

Saskatoon Transit

The Saskatoon Transit division operates and maintains Saskatoon's public transit system. The Division also provides Access Transit for individuals who are unable to use the regular transit system with safety and dignity. Saskatoon Transit operates six terminals spread throughout the city. Saskatoon Transit's service includes DART (Direct Access Rapid Transit) which serves all major quadrants of the city and can best be described as a light-rail system on wheels.

Saskatoon Water

The Saskatoon Water division is responsible for the operation and maintenance of the City's water and wastewater treatment, the handling and disposal of solids resulting from the treatment processes, the water and wastewater pumping facilities, ongoing process optimization and environmental studies, engineering and long-term expansion planning for water distribution, sewer collection systems and treatment plants, related construction project management and capital work, the testing and maintenance of water meters, and the cross connection control program.

Transportation

The Transportation division provides planning, design, regulation, and operation of the City's transportation network. Major activities include planning for the transportation network, traffic management, and operations. The goal of the Division is to provide for the safe and efficient movement of people, goods, and services within and through Saskatoon in a cost-effective manner.

Boards

Mendel Art Gallery and Civic Conservatory

The Mendel Art Gallery and Civic Conservatory opened in 1964 and was named to honour Frederick S. Mendel,

Services Provided by City Departments

industrialist and art connoisseur, who established his business and home in Saskatoon in 1940.

Selections from the Gallery's collection are exhibited regularly, along with regularly scheduled contemporary and historical exhibitions of local, national, and international origin. Each year, approximately 20 exhibitions are presented without charge for the benefit of Saskatonians and visitors to the city. The Mendel Art Gallery and Civic Conservatory is operated as a civic corporation under a board of appointed trustees.

The Mendel Art Gallery closed in June 2015 as Saskatoon readies for the eventual opening of the Remai Modern Art Gallery of Saskatchewan.

Saskatoon Police Service

The operations of the Saskatoon Police Service (SPS) are established under the authority of *The Saskatchewan Police Act, Part III*, Section 25 and 26, and under the City of Saskatoon Bylaw 5728. The Saskatoon Board of Police Commissioners is appointed by City Council to oversee the police operations and consists of the Mayor, two City Council members, and two citizens-at-large.

The Board is subject to the legislative jurisdiction of City Council to the extent only that the amount expended for upkeep of the SPS must not exceed the amount fixed by the current estimates of City Council for that purpose.

The SPS is equipped and trained for the most current needs in the delivery of a police service in partnership with the community. They also offer emergency services, take complaints of crime, conduct follow-up investigations and preventative activities throughout the city on a 24-hour basis.

Saskatoon Public Library

Saskatoon Public Library (SPL) which first opened for circulation in May 1913 in the basement of the Odd Fellow's Hall, is now a city-wide system consisting of the central library and seven branches. A new library branch is scheduled to open in Stonebridge in 2016. SPL is supported by city taxation and provincial government grants, but direct service to each Saskatoon resident is free of charge.

SPL are community centers, offering information in a variety of formats including print, digital, and audio visual. The libraries offer DVDs, CDs, video games, magazines, newspapers, maps, public computers with internet service, pamphlets, government documents, trade directories, indexes, and other materials and programs to meet public informational, educational, and recreational needs. City Council minutes, reports, studies, and other civic material are available and may be consulted in the Library.

All public libraries in Saskatchewan are participating in a One Province, One Library Card network, which connects all public libraries throughout the province.

SaskTel Centre

(Legal name: Saskatchewan Place Association Inc.)

SaskTel Centre is Saskatchewan's largest sports and entertainment venue, with a total capacity of 14,500 and an average annual attendance of 500,000.

SaskTel Centre, under the direction of its Board of Directors and management, continues to attract many of the world's largest touring acts, major international and national events; as well as, own and operate Taste of Saskatchewan and Rock the River Classic Rock Festival each year. SaskTel Centre is home to the Saskatoon Blades of the Western Hockey League.

In 2014, SaskTel Centre was ranked 85th on the Top Arena Venues for Worldwide Ticket Sales. For additional information on the venue and upcoming events visit sasktelcentre.com.

TCU place (Legal name: Saskatoon Centennial Auditorium and Convention Centre Corporation)

TCU Place was a project to commemorate the centennial of the founding of the Dominion of Canada. It is an imposing and beautiful building in the heart of the city, adjacent to a major shopping complex, steps away from first-class hotels, restaurants, boutiques, and parking facilities for 2,000 vehicles. The facility is equipped with sophisticated aids for audio, visual, stage, or exhibit requirements; maintains an in-house catering/banquet service; and is part of a province-wide box office. TCU Place's 2,000 soft-seat concert theatre has brought heartwarming praise from numerous world-class entertainers and artists, touring companies, ballet companies, and local and international performing art groups, and is home of the Saskatoon Symphony.

With 104,000 square feet of high-end convention space, TCU Place is poised for the large-sized national and international convention market, with first-class convention facilities and services.

In addition, the box office is part of the Ticketmaster ticket distribution system that sells tickets not only for TCU Place but also SaskTel Centre, and other venues across Canada. TCU Place is owned by the City of Saskatoon and is operated by the Saskatoon Centennial Auditorium and Convention Centre Corporation. The Corporation, as well as the Saskatoon Centennial Auditorium and Convention Centre Foundation, consists of a Board of Directors with representation from City Council and the general public.

Financial Management and Control

Corporate Planning Process

City Council's current Strategic Plan sets out a vision for the community, a mission statement, and a set of corporate values and strategies.

The Capital Budget process decides, based on City Council's priorities, which projects will proceed over which timeframe. Long-term capital planning (through the five-year plan) and reserve policies attempt to match required funds to required projects.

The Operating Budget allocates resources under the principle of continuing to deliver existing services and service levels.

In addition, it recommends service level changes for specific programs based on a number of factors (usage, demand, ability to pay, growth, legislative change, business case, etc.). Choices are put before City Council on issues that have been raised by City Council, raised by the public, and/or identified by the Administration.

Annual Financial Reports

A number of annual financial reports are submitted to City Council for its information and review, including the financial reports, capital project status reports, benchmarking and performance measurement reports, and the public accounts.

The annual Financial Report includes the consolidated financial statements prepared in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. These statements are audited by the City's appointed external auditor.

Financial Policies

The City of Saskatoon operates under a number of financial policies, some of which have received formal approval by City Council; others are based on fiscal responsibility.

Property Tax Policies

In 2001, City Council resolved that commercial property be taxed at 1.75 times the residential rate (shifted over a ten-year period) and that the effective tax rate between residential, condominium, and multi-family residential classes be equalized.

Investment Policy

City Council has approved a policy on portfolio management, which ensures that City portfolios are invested to primarily achieve the preservation of capital, the maintenance of liquidity sufficient to meet on-going financial requirements, and to maximize return on investment. Specific guidelines are outlined regarding the type of securities approved for purchase, investment limitations, and term structure.

Reserve Policies

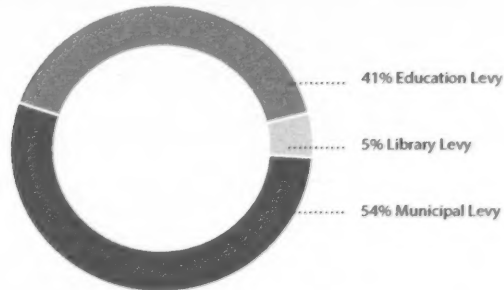
City Council has established reserves through bylaws to fund capital projects, and through policy to provide a source of funds to stabilize specific user pay programs and/or general revenue variances.

The majority of capital work undertaken by the City is funded through dedicated reserves. The purpose, funding source, and withdrawal criteria are specifically outlined within bylaws. City Council approval is required for all withdrawals. The remaining reserves are specifically outlined in policy; a majority of these are used to stabilize specific programs either funded through user fees (golf courses), are dependent upon weather (snow and ice management), or are used to fund overall operations against revenue variances (interest earnings).

Debt Management Policies

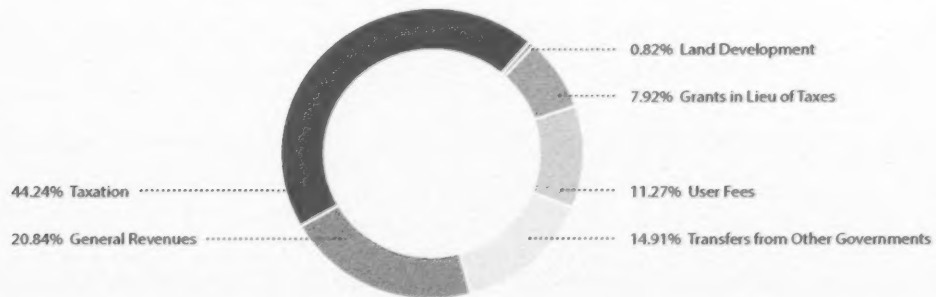
The City of Saskatoon has operated primarily under a "pay-as-you-go" philosophy whereby its facilities and infrastructure are built based on current and projected reserve balances. The City Council approved policy on borrowing for capital projects specifically outlines borrowing only if sufficient funds are not otherwise available in existing reserves or through external sources, if funds will be recovered from future operating revenues or operating savings, and/or it would be equitable to extend the capital financing through borrowing for major capital initiatives to future users.

2015 Distribution of Property Taxes



Where the Money to Run the City Comes From

(Based on Revenues in Schedule 6, page 90)



Where Your Municipal Tax Dollars Are Spent

(Based on Revenues in Schedule 6, page 90)



FINANCIAL DISCUSSION AND ANALYSIS

December 31, 2015

Financial Discussion and Analysis

The City of Saskatoon's 2015 Annual Financial Report contains the audited Consolidated Financial Statements prepared in accordance with principles and standards established by the Public Section Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. Deloitte LLP has audited the financial statements and provided the accompanying Auditor's Report. The financial statements and Auditor's Report meet the legislative reporting requirements under *The Cities Act*.

The following financial discussion and analysis has been prepared in order to provide a narrative explanation, through the eyes of management, of how the City has performed in the past, its financial conditions and its future prospects.

Economic Overview and Outlook

Over the past five years, the Saskatoon Census Metropolitan Area (CMA):

- experienced exceptionally strong economic growth averaging almost 6% annually;
- averaged annual employment growth over 5% per year; and
- saw personal income per capita increase by 3.5% annually.

This strong economic growth slowed in 2015, largely in response to lower commodity prices and an overall downturn in the Canadian economy in the first half of the year.

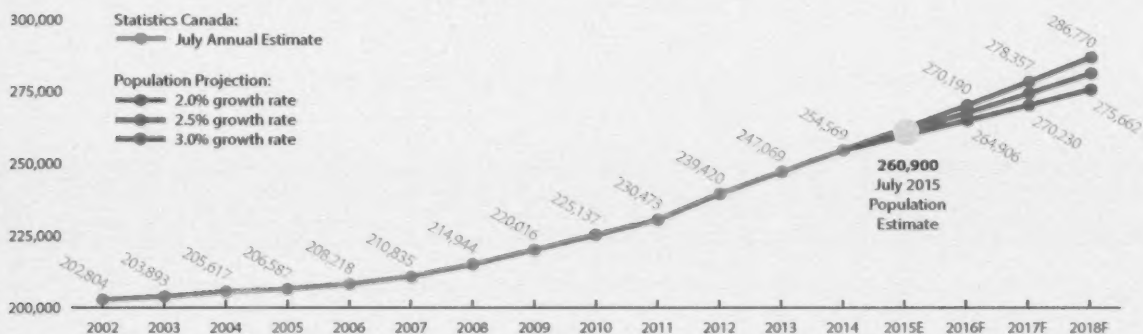
Saskatoon	2015	2014	2013	2012	2011
Population	262,900	257,300	248,700	239,000	234,200
Employment	169,625	169,100	164,175	152,675	144,450
Unemployment Rate	5.80%	3.58%	4.10%	5.60%	8.60%
Building Permits	4,327	4,996	5,020	5,196	4,651
Building Permit Value (millions)	\$1,020	\$878	\$1,088	\$1,082	\$937

However, the Conference Board of Canada's Spring Metropolitan Outlook forecasts economic growth in the Saskatoon region to be higher in 2016 than in 2015. Over the next three years, Saskatoon is expected to grow, but not at the record growth rates experienced prior to 2015.

Looking ahead into 2016:

- Saskatoon's economy is forecast to grow by over 2% to more than \$18 billion;
- Saskatoon's population will increase by approximately 6,000 people to about 270,000; and
- approximately 2,000 more people will be working in Saskatoon and the unemployment rate will decrease to 4.7%.

Saskatoon CSD Population, July 2002-July 2018F



Source: Statistics Canada, July Annual Population Estimates (based on 2011 Census Data), City of Saskatoon Population Projection

Financial Highlights

The Consolidated Financial Statements combine the financial results of the City's departments with the financial results of the agencies that are accountable to and controlled or owned by the City. These include:

- Board of Police Commissioners
- Saskatoon Light & Power
- Water, Wastewater and Storm Water Management Utilities
- Mendel Art Gallery
- Centennial Auditorium (operating as TCU Place)
- Saskatchewan Place (operating as SaskTel Centre)
- Saskatoon Public Library
- Saskatchewan Information and Library Services Consortium Inc.

Revenue and Expenses

The City had consolidated operating revenues of \$724.4 million in 2015, prior to consideration of \$90.4 million of revenue due to contributions from developers, including \$213.2 million from taxation and \$379.1 million from various user charges. Final operating revenues including contributions from developers was \$814.8 million.

These revenues were used to deliver various civic programs and utility services as recognized by \$735.3 million worth of consolidated expenditures in 2015. This resulted in a net surplus of revenues over expenses before other capital contributions of \$79.5 million. After capital contributions were considered, which totaled \$131.1 million, the City's final consolidated surplus of revenues over expenses was \$210.6 million in 2015.

Consolidated Financial Position

Net assets decreased from a positive balance of \$68.6 million in 2014 to a negative balance of \$57.9 million in 2015. This shift was largely due to additional debt and liabilities incurred from the continued progress on the City's P3 projects such as the Civic Operations Centre and North Commuter Parkway and Traffic Bridge.

	2015	2014
A Financial Assets	\$ 567,354	\$ 579,700
B Liabilities	\$ 625,297	\$ 511,067
C Net Financial Assets (A minus B)	\$ (57,943)	\$ 68,633
D Non-Financial Assets	\$ 3,724,405	\$ 3,387,266
E Accumulated Surplus (C plus D)	\$ 3,666,462	\$ 3,455,899

As at December 31 (in 000's of dollars)

As seen above, the City's accumulated surplus increased by \$210.6 million, largely due to the net increase in tangible capital assets (purchased and donated) of \$326.2 million offset by the increase in liabilities of \$114.2 million related to the continued progress of the City's P3 projects (North Commuter and Traffic Bridge and Civic Operations Centre).

The term debt component of liabilities increased to \$263.1 million in 2015 from the 2014 balance of \$238.1 million. This includes an additional \$35.0 million in third-party debt in relation to the Civic Operations Centre P3 project and \$15.0 million in debt for the Remai Modern Art Gallery of Saskatchewan. This is offset by \$25.1 million in annual term debt repayments made in 2015. The City's long-term debt rating was affirmed at "AAA" by Standard and Poor's in fall 2015.

Tax Based Operations

The results of the City's tax supported operations are seen in Schedule 6 of the Financial Statements. These figures are prior to consolidation and reflect the City's actual results for tax supported operations as outlined by the approved budget and the requirements of *The Cities Act*.

2015 Tax Based Operating Results

(in thousands of dollars)	2015 Budget	2015 Actuals	Variance
Revenues	\$ 439,053	\$ 438,107	\$ (946)
Expenditures	\$ 439,053	\$ 436,049	\$ 3,004
Preliminary Surplus (Deficit)	\$ -	\$ 2,058	\$ 2,058
Transfer to Snow and Ice Stabilization	\$ -	\$ 622	\$ 622
Surplus (Deficit)	\$ -	\$ 1,436	\$ 1,436

The City was able to achieve a surplus of \$2.1 million in 2015 prior to transfers to and from reserve. This surplus was largely achieved through:

- lower than anticipated fuel prices which resulted in a significant savings to the City's fleet and transit operations;
- higher than anticipated returns from the Provincial Utility Crowns in franchise fee payments due to rate adjustments and consumption increases; and
- property tax levy delivered more revenue in 2015 than budgeted as supplementary property taxes growth was higher than anticipated.

These positive gains were somewhat offset by:

- lower fines and penalties collected due to reduced parking ticket revenue related to diminished volumes and parking enforcement associated with the transition to the new parking system;
- recreation competitive facilities realized a deficit attributable to reduced revenues in LeisureCard and regular admission revenue prior to September 1, 2015 price change. LeisureCard and admission revenue have been strong since the September 2015 launch of the new marketing and rate program and are expected to rebound in 2016; and
- City Landfill realized a deficit compared to budget mainly due to increased competition within the sector and associated losses of commercial customers.

Overall, the City performed better than budget in 2015 and continued to deliver on increased service levels related to roadways, policing and street sweeping. The surplus of \$2.058 million will be allocated to the Snow and Ice Stabilization Reserve (\$622,000), while the remainder will be allocated to the City's Fiscal Stabilization Reserve which has a current balance of \$6.7 million, increasing to approximately \$8.2 million after the transfer. This Reserve has a targeted minimum balance equal to 5% of the current year's tax supported expenditures. For 2016, the Reserve should be at \$10.2 million; however, after the 2015 allocation, the Reserve will be approximately \$2.0 million short of its minimum balance. It is intended that over time, future surpluses and one-time funding revenues will bring the Reserve back to its targeted level.

Cash Flow

The City's cash and cash equivalents increased by \$11.4 million over 2014 to a December 31, 2015 balance of \$68.3 million. While cash balances increased, this was largely offset by decreases in investment holdings of \$10.3 million to a year-end balance of \$372.7 million. The changes in cash

and investment holdings is largely due to normal operating fluctuations as seen below:

January 1, 2015 Cash Balance	\$ 56,934
Cash from Operating Activities	\$ 419,232
Decrease in Investment Holdings	\$ 10,258
New Debt Issued net of Repayments	\$ 24,946
Acquisitions of Capital Assets	\$ (443,065)
December 31, 2015 Cash Balance	\$ 68,305

Cash from Operating Activities

Cash provided by operating activities in 2015 was \$419.2 million, compared to \$355.0 million in 2014. In addition to the annual surplus, the increase was largely driven by larger accounts payable balances due to future substantial completion payments for the two P3 projects and lower accounts receivable balances due to improved collections in 2015.

Cash from Investments and Financing

Cash provided by investment activities was \$10.3 million, as investment holdings decreased to \$372.7 million mainly due to normal business operations and transfers between cash and investment accounts.

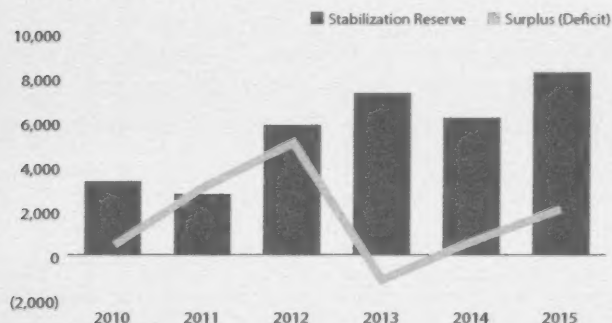
The City's cash balance increased by \$24.9 million from financing activities. This increase was due to the issuance of \$50.0 million of term debt which is made up of \$35.0 million for the Civic Operations Centre P3 project and \$15.0 million for the Remai Modern Art Gallery of Saskatchewan which is offset by \$25.1 million in annual debt repayments.

Cash used for Capital Acquisitions

\$443.1 million was used for the acquisition of capital assets in 2015. Some of the notable capital projects included in this balance are:

- Remai Modern Art Gallery of Saskatchewan
- Land purchases for new schools
- Stonebridge/Highway 11 Interchange
- Various roadway maintenance and rehabilitation projects
- Civic Operations Centre

Stabilization Reserve Year End Balances

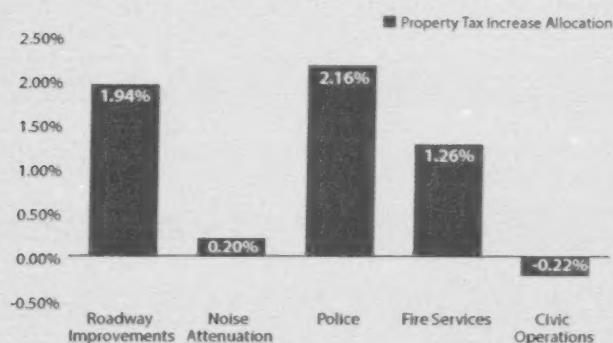


Financial Analysis – Revenues Compared to Prior Year

Revenues	2015	2014	Variance	Percent Change
Taxation	\$ 213.2	\$ 196.4	\$ 16.8	8.6%
Grants in Lieu of Taxes	\$ 5.0	\$ 4.3	\$ 0.7	16.3%
User Charges	\$ 379.1	\$ 360.8	\$ 18.3	5.1%
Government Transfers	\$ 66.6	\$ 64.5	\$ 2.1	3.3%
Investment Income	\$ 13.7	\$ 13.5	\$ 0.2	1.5%
Contributions from Developers	\$ 90.4	\$ 118.5	\$ (28.1)	(23.7)%
Other	\$ 46.7	\$ 44.7	\$ 2.0	4.5%
TOTAL	\$ 814.7	\$ 802.7	\$ 12.0	1.5%

Taxation revenue was approximately 8.6% higher than 2014 revenue primarily due to an increase in the tax rate of 5.33% and growth in the assessment base as the City's physical inventory of houses and commercial properties continue to grow. The property tax increase of 5.33% in 2015 was allocated as follows:

Property Tax Increase Allocation



The majority of additional tax revenue collected as a result of the rate increase was attributed directly to road improvements and police services. Civic operations actually saw a decrease and a redistribution of 0.22% in property tax to other areas.

User fee revenue increased to a balance of \$379.1 million, up 5.1% or \$18.3 million from 2014. This increase was largely due to increased rates, growth and consumption increases from a dryer than normal summer. The Water and Wastewater Utility saw the biggest increases in user fee revenues of \$6.9 million and \$7.7 million respectively. The remaining \$3.7 million increase relates to other user fees related mostly to Saskatoon Light & Power, TCU Place, SaskTel Centre, Transit services, and recreation facilities.

Government transfer revenues increased to \$66.6 million, up \$2.1 million from 2014. This increase is primarily due to the Provincial Municipal Revenue Sharing program which increased the City's contribution from \$46.0 million in 2014 to \$47.4 million in 2015. Other increases are related to grants received for Federal Gas Tax and Provincial Police funding among various other smaller grants.

Contributions from developers decreased to \$90.4 million from \$118.5 million in 2014. These contributions are used for capital improvements and come from development levies for lift stations, interchanges and trunk sewers. These contributions are directly linked to growth in the economy and population. As this growth slowed in 2015, so did the contributions being received from developers.

Financial Analysis – Expenses Compared to Prior Year

Overall, consolidated expenditures for the year ended December 31, 2015 totaled \$735,262.0 million, an increase of 10.1% from 2014 which totaled \$667,694.0 million. The main contributors to this increase in expenditures aside from general inflation which applies to most City expenditures are as follows:

- Effective April 1, 2014, the City adopted the new accounting standard (PSAB 3260, Liability for Contaminated Sites). As a result of this standard, the City identified \$12.3 million in liabilities and corresponding expenses (n/a in 2014). The major inclusions within this liability are:
 - South Caswell Hill Bus Barns which has contamination resulting from the operation of a maintenance facility (fuel, oil, etc.). Transit operations will be transitioning to the Civic Operations Centre in 2017 at which time the bus barns will need to be remediated.
 - City Yards which houses several Public Works operations and maintenance facilities is expected to contain contamination from its operations (fuel, pesticides, oil, etc.). The City Yards will be relocated in the near future at which time remediation will be required.

- Effective January 1, 2016, the Saskatoon Fire and Protective Services Department Superannuation and Saskatoon Police Superannuation plans were amended to close the plans to new entrants, freeze pensionable service, cease employee contributions and change the cost sharing arrangement in the plan such that the City assumes full responsibility for all past and future deficits in the plan. As such, the City recognized \$10.8 million for a pension curtailment within the 2015 audited consolidated statement of operations.
- A total of \$116.9 million in fixed asset amortization, which is an increase of \$6.9 million from 2014 due to continued growth of the City's infrastructure and equipment required to support a growing population.

The remaining increase over 2014 of 5.6% or \$37.6 million is attributable to inflationary and growth increases as well as service level increases including:

- Continuation of the Building Better Roads program.
- A more aggressive street sweeping program which was completed three weeks sooner than in past years.
- 46.8 additional full-time equivalent employees ("FTEs"), a 1.4% increase over 2014 which included:
 - 38.5 FTEs related to growth to support an expanding infrastructure network and population;

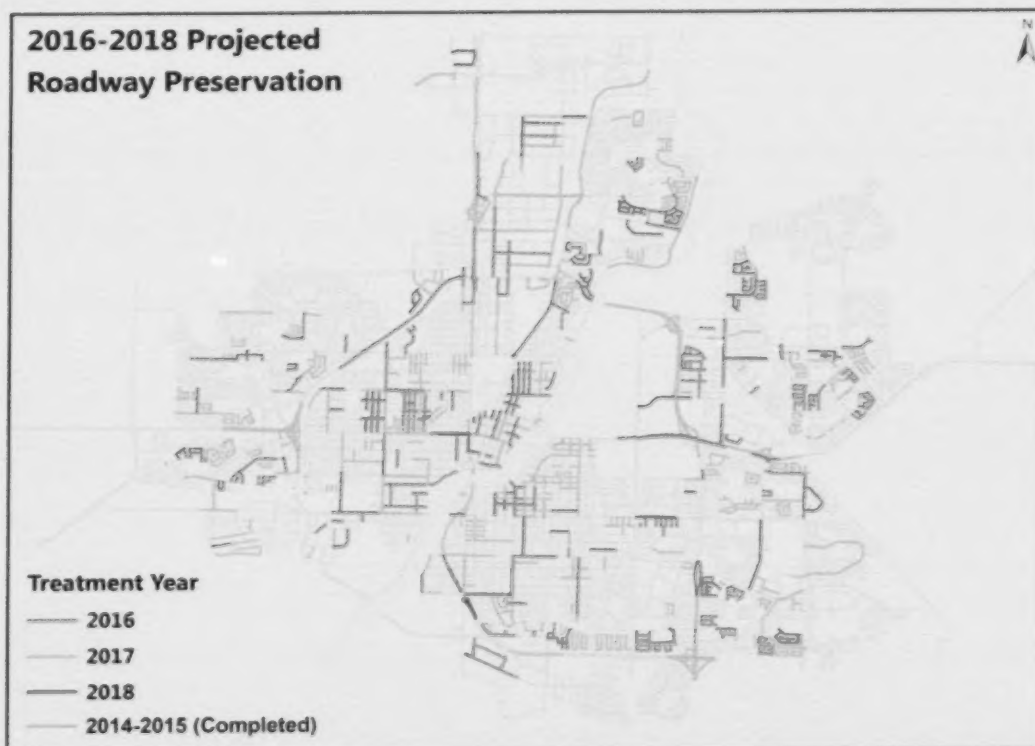
- 2.5 FTEs in order to accommodate increased service levels; and
- 4.0 FTEs to support past capital decisions (Police Headquarters increased maintenance, Remai Modern Art Gallery of Saskatchewan operations and programming, etc.).

Building Better Roads

The Building Better Roads program began in 2014 in order to allocate more resources to the City's road network and its related services, including snow and ice clearing and street sweeping. In order to accomplish the objectives of the program over \$53.0 million was spent in 2015, an increase of over \$3.0 million from 2014 and \$19.0 million from 2013. In 2015 alone, this program:

- paved over 220 km of roadways;
- filled 163,000 potholes;
- repaired 6 km of sidewalks;
- swept 61 residential neighbourhoods removing 1,520 tandem truckloads of debris; and
- painted 911 km of lane lines.

The results and projected future progress of the program are illustrated in the map below:



By 2017, it is anticipated that over \$58.0 million will be spent annually in the maintenance and preservation of Saskatoon's road network.

Liquidity and Debt

In 2015 net financial assets decreased by approximately \$126.6 million primarily due to the continued progress and expenditures on the City's two P3 projects – the North Commuter Parkway and Traffic Bridge and the Civic Operations Centre. Since payments for these projects are not due until substantial completion, the City has accrued liabilities in order to reflect the future obligation of work completed to date;

hence, the increase of \$99.6 million in Accounts Payable and Accrued Liabilities. The specific accruals include:

- \$29.1 million in accrued liabilities for the North Commuter Parkway and Traffic Bridge which will be paid upon substantial completion in 2018;
- \$40.8 million in accrued liabilities for the Civic Operations Centre which will be paid upon substantial completion in 2017; and
- \$35.0 million in term debt for the Civic Operations Centre which will be paid over the course of 30 years following substantial completion as outlined in the P3 project contract.

Financial Position as at December 31, 2015

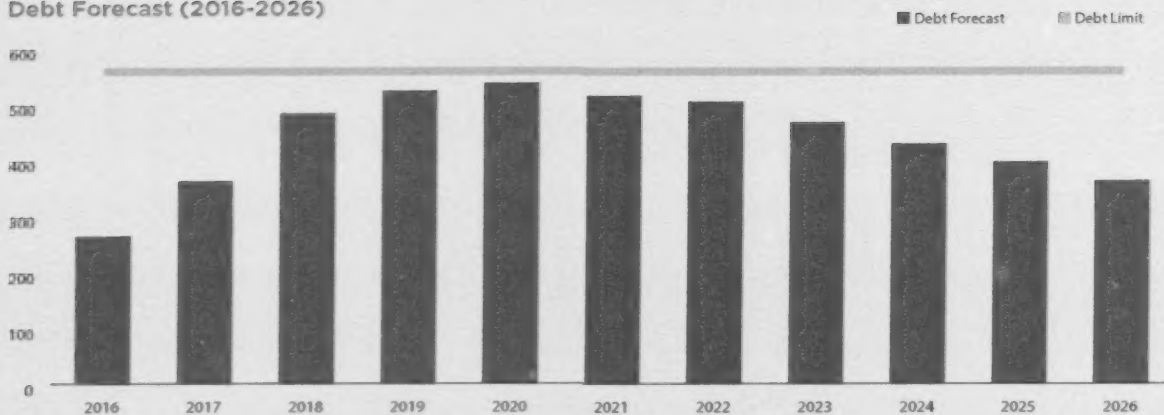
	Actual 2015	Actual 2014	Actual 2013
Financial Assets			
Cash	\$ 68,305	\$ 56,934	\$ 37,147
Receivables	113,171	125,532	170,175
Land Inventory for Resale	8,709	5,560	5,920
Other Assets	4,421	6,919	7,363
Investments	372,748	383,006	339,318
Accrued Pension Asset	–	1,749	4,176
Total Financial Assets	567,354	579,700	564,099
Financial Liabilities			
Accounts Payable and Accrued Liabilities	229,174	129,550	144,059
Deferred Revenue	85,912	107,601	99,555
Term Debt	263,050	238,104	234,508
Accrued Pension Liability	9,296	–	–
Employee Benefits Payable	37,865	35,812	33,162
Total Financial Liabilities	625,297	511,067	511,284
Total Net Financial (Debt) Assets	\$ (57,943)	\$ 68,633	\$ 52,815

Term Debt

These changes in Net Financial Assets are included as part of the City's Long Term Financial Plan and funding models. In January 2016 Standard and Poor's affirmed the City's AAA longer term issuer credit and senior unsecured debt ratings stating "the rating reflects our opinion of the city's very strong economy and budgetary flexibility, exceptional liquidity levels and very low debt. The stable outlook reflects our expectations that, throughout the two-year outlook horizon, Saskatoon will continue benefiting from a very strong economy, and maintain exceptional liquidity and very strong budgetary flexibility."

The City utilizes debt to finance certain capital projects on the premise that the cost of these projects should be borne by the taxpayer and utility users who will benefit from the projects. Debt financing smooths the impact on annual property tax rates while providing appropriate infrastructure to meet citizens' needs. The current debt level of \$263.1 million is well within the City's approved debt limit of \$558.0 million as authorized by the Saskatchewan Municipal Board. Although subject to significant change, the current debt forecast is expected to peak in 2020 at approximately \$536.1 million as shown on the following page:

Debt Forecast (2016-2026)

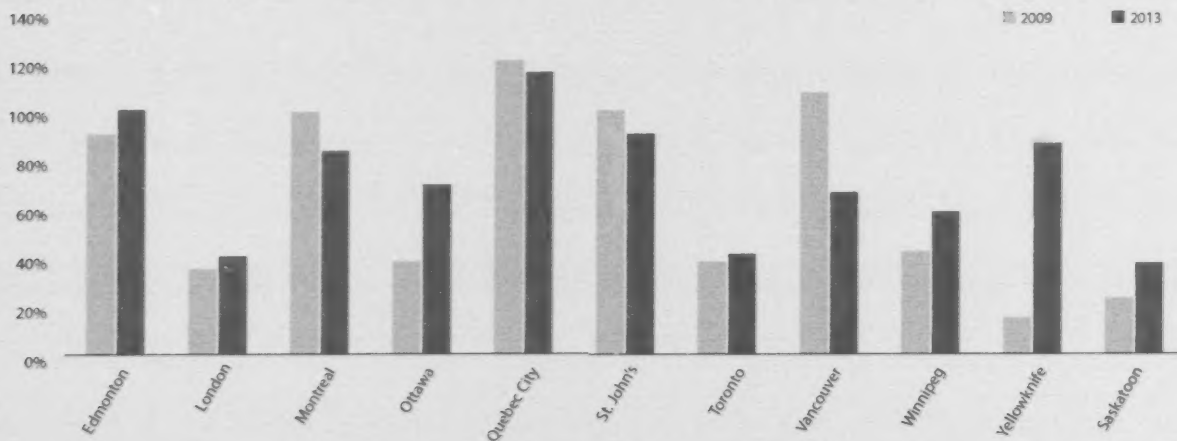


This forecast includes future borrowing for:

- P3 debt for the remainder of the North Commuter Parkway and Traffic Bridge Project;
- P3 debt for the Civic Operations Centre;
- requirements for a Bus Rapid Transit system;
- City Yards relocation; and
- various utility projects which will be recovered through user fees.

Despite planned debt increases over the next decade, it is anticipated that Saskatoon's debt burden (as a percentage of annual revenue) will continue to be among the lowest in Canada. As observed by Moody's Investor Services 2015 report, Saskatoon continues to manage its growth in a financially sound and sustainable way.

Debt as a Percentage of Annual Revenue

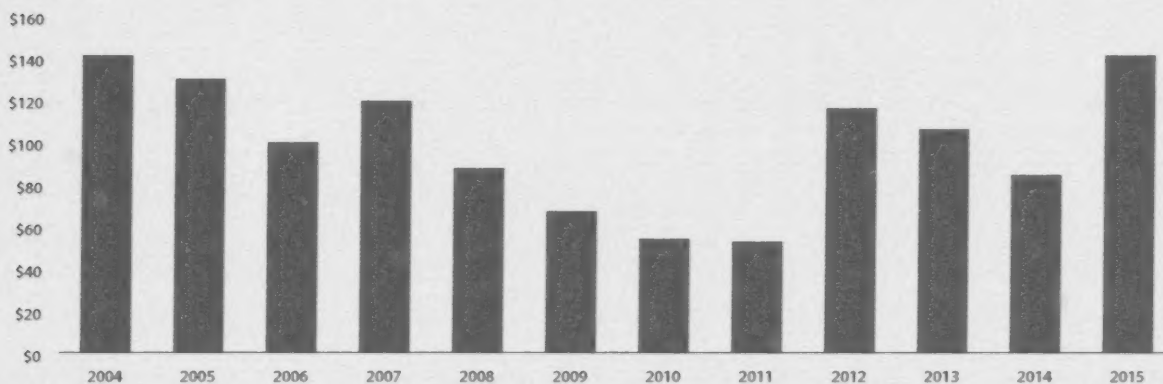


Reserves

The City maintains a Reserve for Future Expenditures Policy and Capital Reserve Bylaw as approved by City Council, which directs the establishment and processes with respect to reserves. Initial establishment of reserves as well as transfers to and from reserves require the approval of City Council. In 2015, reserve balances increased by \$56.9 million to a year-end balance of \$141.0 million.

Total Reserve Balance

(millions)



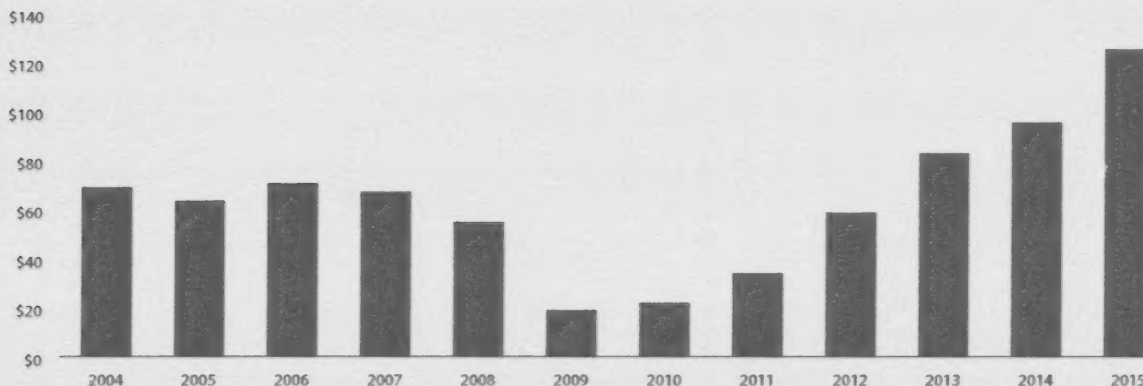
These increases in reserve balances were largely due to two factors:

1. Included in these balances are several land development reserves which vary considerably from year to year based on market conditions and stages of development. Reserves such as Prepaid Services and Land Bank improved their deficits by \$29.7 million over 2014 as development levies continue to be collected.
2. The Landfill Replacement Reserve and Water and Sewer Replacement Reserve continue the planned repayment schedule as their deficit position improved by \$7.7 million over 2014. Both of these reserves were previously approved by City Council to enter into a deficit position.

In an effort to isolate operational reserves (excluding land development), the following chart illustrates the overall increasing health of the City's reserve balances:

Reserve Balance (Excluding Land and Sundry)

(millions)



Overall, the reserve balances have rebounded significantly from 2010 levels which were decreased due to the advancement of capital programs to match the federal and provincial programs that required municipal matching dollars. This advancement of funds allowed the City to participate in these programs by taking advantage of available funds from senior levels of government to build the necessary infrastructure. The plan to repay the reserves with the future year operating budget allocations was achieved in 2012 when the reserve balance was \$115.7 million, an increase from the five-year low of \$53.8 million in 2010. Since 2012, reserve balances have continued to increase as the City is well positioned to address future capital requirements.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. The cost less estimated salvage value of the tangible capital assets is amortized on a straight-line basis over the assets estimated useful lives, ranging from five to 75 years.

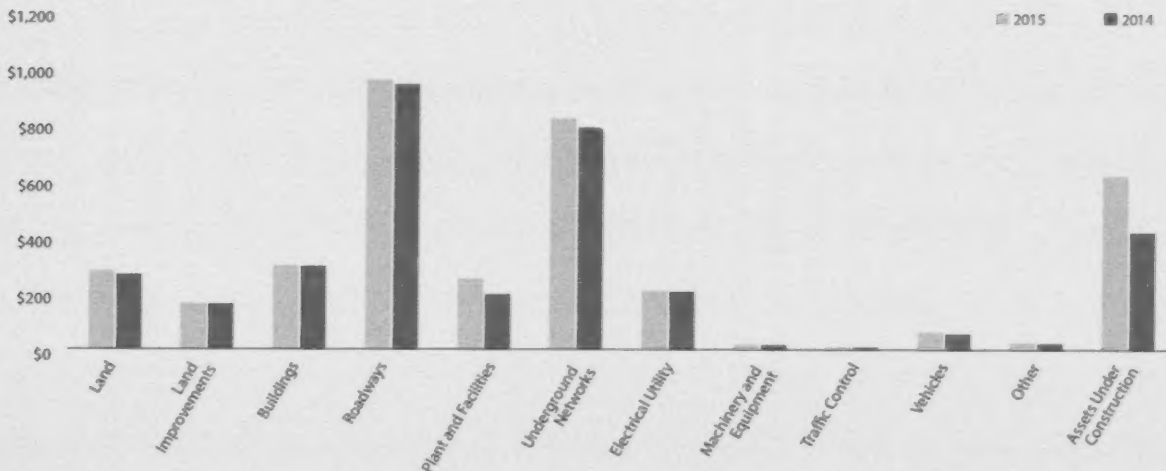
The City's total net book value of tangible capital assets rose by \$326.2 million in 2015. The largest increase was seen in Assets under Construction category which increased by \$195.5 million. This increase was largely due to the continued construction of:

- Remail Modern Art Gallery of Saskatchewan, expected to open in 2017;
- Civic Operations Centre, expected to open in 2017; and
- North Commuter Parkway and Traffic Bridge, scheduled to open in 2018.

Roadways continue to be the largest asset category with a net book value of \$954.8 million followed by the underground network, such as water, sewer and storm sewer infrastructure at \$819.2 million.

Total Tangible Capital Assets by Category

(millions)



Financial Control and Accountability

The City ensures strong financial management and accountability policies and practices are in place through a number of means. The Strategic Goal of Asset and Financial Sustainability is a key driver in this objective.

Strong Management and Fiscal Responsibility is one of the City's Leadership Commitments that drives the organization throughout its daily activities and the manner in which it works towards the Strategic Goals. This commitment along with the other Leadership Commitments enables the practice of strong financial controls and accountability that helps the City maintain its "AAA/Stable" credit rating.

Outlook

Saskatoon continues to enjoy a strong economy and steady growth. With it come the opportunities and challenges to build new and rehabilitate existing infrastructure that is needed as part of a growing community.

To address growth, Growing Forward! Shaping Saskatoon is a key initiative that will guide investments that support our city's expansion to 500,000 people. The resulting growth plan will ensure Saskatoon continues to be a great place to live, fuelled by wealth and prosperity, so everyone in our community benefits.

As part of the Strategic Goal of Asset and Financial Sustainability, the continued investment in the improvement to roads is one of the key strategies to address the condition of one of the largest components of the existing infrastructure. The result will be not only better road conditions, but an improved roadway network that will lead to more and better options for transportation that are practical for vehicles, buses, bikes, and pedestrians, and an optimal flow of people and goods around the city.

As stated previously, in January 2015, the City once again had its AAA/Stable credit rating affirmed by Standard and Poor's. The rating was based on the 2014 financial results that reflected "exceptional" liquidity, low and managed debt levels, as well as the current financial and economic outlooks.

The City continues to develop a long-term financial plan that ensures financial sustainability and meets the challenges and future needs of a growing city.

Kerry Tarasoff, FCPA, FCMA

Chief Financial Officer and General Manager,
Asset and Financial Management

CONSOLIDATED FINANCIAL STATEMENTS

City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2015

Management Report



The accompanying Consolidated Financial Statements and all other information contained in this Annual Report are the responsibility of management. The Consolidated Financial Statements have been prepared by management in accordance with Canadian generally accepted accounting principles (GAAP) for local governments established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada. The preparation of the statements necessarily includes some amounts which are based on the best estimates and judgments of management. Financial data elsewhere in the Annual Report is consistent with that of the financial statements.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded and that financial records are reliable for the presentation of financial statements.

The Standing Policy Committee on Finance of the City of Saskatoon comprises six elected officials who are appointed annually. The Committee recommends the engagement of the Internal and External Auditors, approves the annual and long-term audit plans, and reviews the audit reports and the audited financial statements for presentation to City Council.

Deloitte LLP, Chartered Professional Accountants, the City's appointed external auditors, have audited the Consolidated Financial Statements. Their report to His Worship the Mayor and City Council, stating the scope of their examination and opinion on the consolidated financial statements, follows.

A handwritten signature in black ink, appearing to read 'M. Totland'.

Murray Totland, P. Eng., MBA

City Manager

July 19, 2016

A handwritten signature in black ink, appearing to read 'Kerry Tarasoff'.

Kerry Tarasoff, FCPA, FCMA

CFO/General Manager, Asset and Financial Management Department

Independent Auditor's Report

To His Worship the Mayor and City Council:

We have audited the accompanying consolidated financial statements of the City of Saskatoon, which comprise the consolidated statement of financial position as at December 31, 2015, and the consolidated statements of operations, changes in net financial assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

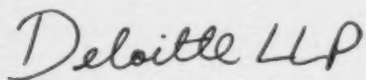
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Saskatoon as at December 31, 2015 and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Professional Accountants, Chartered Accountants
Licensed Professional Accountants

Saskatoon, Saskatchewan

July 19, 2016

Consolidated Statement of Financial Position

As at December 31, 2015 (in thousands of dollars)

	2015	2014
Financial Assets		
Cash and Cash Equivalents (Note 2)	\$ 68,305	\$ 56,934
Taxes Receivable (Note 3)	11,309	10,803
Accounts Receivable and User Charges (Note 3)	99,051	111,224
Loans Receivable (Note 4)	2,811	3,505
Land Inventory for Resale	8,709	5,560
Other Assets (Note 5)	4,421	6,919
Investments (Note 6)	372,748	383,006
Accrued Pension Asset (Note 8)	–	1,749
Total Financial Assets	567,354	579,700
Financial Liabilities		
Accounts Payable and Accrued Liabilities (Note 9)	229,174	129,550
Deferred Revenue (Note 10)	85,912	107,601
Term Debt (Note 11)	263,050	238,104
Accrued Pension Liability (Note 8)	9,296	–
Employee Benefits Payable (Note 12)	37,865	35,812
Total Financial Liabilities	625,297	511,067
Total Net Financial (Debt) Assets	(57,943)	68,633
Non-Financial Assets		
Prepaid Expenditures	13,306	2,676
Tangible Capital Assets (Note 18)	3,699,653	3,373,486
Inventory of Materials and Supplies	11,446	11,104
Total Non-Financial Assets	3,724,405	3,387,266
Accumulated Surplus (Note 19)	\$ 3,666,462	\$ 3,455,899

The accompanying notes are an integral part of these statements.

Consolidated Statement of Operations

For the Year Ended December 31, 2015 (in thousands of dollars)

	2015 Budget	2015	2014
Revenues			
Taxation (Note 7)	\$ 217,163	\$ 213,232	\$ 196,367
Grants in Lieu of Taxes (Note 7)	4,803	4,986	4,328
User Charges	374,261	379,082	360,813
Government Transfers (Note 13)	64,881	66,620	64,463
Investment Income	11,109	13,708	13,475
Contribution from Developers and Others	–	90,399	118,495
Other	56,272	46,725	44,701
Total Revenue	728,489	814,752	802,642
Expenses			
General Government	30,971	35,384	26,689
Transportation	155,456	152,856	149,303
Protection of Persons and Property	159,071	162,352	141,953
Recreation and Culture	109,097	102,000	103,213
Social and Family Services	4,459	6,537	4,398
Planning and Development	45,212	49,444	36,927
Saskatoon Light & Power	118,403	116,346	106,568
Environmental Health	95,243	99,783	91,518
Debt Servicing Costs	10,577	10,560	7,125
Total Expenses	728,489	735,262	667,694
Surplus of Revenues over Expenses before Other Capital Contributions	–	79,490	134,948
Other Capital Contributions	–	–	–
Government Transfers (Note 13)	–	25,329	16,762
Contribution from Developers and Others	–	105,744	49,829
Federation of Canadian Municipalities Green Fund Grant	–	–	28
Total Other Capital Contributions	–	131,073	66,619
Surplus of Revenues over Expenses	–	210,563	201,567
Accumulated Surplus, Beginning of Year (Note 19)	–	3,455,899	3,254,332
Accumulated Surplus, End of Year	\$ –	\$ 3,666,462	\$ 3,455,899

The accompanying notes are an integral part of these statements.

Consolidated Statement of Cash Flows

For the Year Ended December 31, 2015 (in thousands of dollars)

	2015	2014
Operating Activities:		
Surplus of Revenues over Expenses	\$ 210,563	\$ 201,567
Net change in non-cash working capital items:		
Taxes Receivable	(506)	89
Accounts Receivable and User Charges	12,173	44,079
Loans Receivable	694	475
Land Inventory for Resale	(3,149)	360
Other Assets	2,498	444
Accrued Pension Asset	1,749	2,427
Prepaid Expenditures	(10,630)	183
Inventory of Materials and Supplies	(342)	(756)
Accounts Payable and Accrued Liabilities	99,624	(14,509)
Deferred Revenue	(21,689)	8,046
Accrued Pension Liability	9,296	—
Employee Benefits Payable	2,053	2,650
Amortization	116,898	109,965
	419,232	355,020
Investing Activities:		
Decrease (Increase) in Investments	10,258	(43,688)
	10,258	(43,688)
Financing Activities:		
Proceeds from Term Debt	50,000	25,000
Term Debt Repaid	(25,054)	(21,404)
	24,946	3,596
Capital Activities:		
Acquisition of Tangible Capital Assets	(443,065)	(295,141)
	(443,065)	(295,141)
Increase in Cash and Cash Equivalents	11,371	19,787
Cash and Cash Equivalents at Beginning of Period	56,934	37,147
Cash and Cash Equivalents at End of Period	\$ 68,305	\$ 56,934

The accompanying notes are an integral part of these statements.

Consolidated Statement of Changes in Financial Assets

For the Year Ended December 31, 2015 (in thousands of dollars)

	2015	2014
Surplus of Revenues over Expenses	\$ 210,563	\$ 201,567
Net Acquisition of Tangible Capital Assets	(443,065)	(295,141)
Amortization of Tangible Capital Assets	116,898	109,965
Deficit from Capital Transactions	(326,167)	(185,176)
Net Change in Prepaid Expenses	(10,630)	183
Net Change in Inventory of Materials and Supplies	(342)	(756)
Deficit from Other Non-financial Expenditures	(10,972)	(573)
Increase in Net Financial Assets	(126,576)	15,818
Net Financial Assets, Beginning of Year	68,633	52,815
Net Financial Assets, End of Year	\$ (57,943)	\$ 68,633

The accompanying notes are an integral part of these statements.

Note 1 | Accounting Policies

The consolidated financial statements of the City of Saskatoon (the "City") are prepared by management in accordance with Public Sector Accounting Standards ("PSAS"), as recommended by the Chartered Professional Accountants of Canada ("CPA Canada"). The consolidated financial statements were prepared by the City's Finance Division. Significant aspects of the accounting policies adopted by the City are as follows:

Basis of Consolidation

Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenditures and fund balances of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City, namely:

- General Revenue and Capital Funds
- Board of Police Commissioners
- Wastewater Utility
- Storm Water Management Utility
- Water Utility
- Saskatoon Light & Power
- Mendel Art Gallery ("Mendel")
- Centennial Auditorium (Operating as "TCU Place")
- Saskatchewan Place (Operating as "SaskTel Centre")
- Saskatoon Public Library ("Library")
- Saskatchewan Information and Library Services Consortium Inc. ("SILS")
- Reserve Funds

All interfund amounts have been eliminated through the consolidation. Schedule 6, and supporting Appendices 1 to 7, include only those revenues and expenditures reflected in the City's annual operating budget, which is prepared to identify the City's property tax requirements. Excluded from this Schedule are the operations of the Mendel, TCU Place, SaskTel Centre, Library, and the Sinking Fund.

The Library has an interest in the SILS, which has been proportionately consolidated.

Trust and Pension Funds

Trust funds (see Note 16) and pension funds and their related operations administered by the City are not reflected in the consolidated financial statements.

Accounting for School Board Transactions

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards, are not reflected in the municipal fund balances of these financial statements. Amounts due to/from school boards are reported on the Consolidated Statement of Financial Position as accounts payable and accrued liabilities/ accounts receivable.

Basis of Accounting

Financial and Non-financial Assets and Liabilities

Financial assets and financial liabilities have been presented separately from the non-financial assets of the City on the Consolidated Statement of Financial Position. A financial asset is defined as an asset that can be used to discharge existing liabilities or finance future operations and is not for consumption in the normal course of operations. A financial liability is a contractual obligation to deliver cash or another financial asset to another entity. Non-financial assets are those that are normally employed to provide future services and have useful lives extending beyond the current year.

Revenues and Expenditures

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Funds from development charges for services that have not yet been provided at the time the charges are collected are accounted for as deferred revenue until used for the purposes specified. Gross revenues for the 2015 fiscal year are \$814,752. Expenditures are accounted for in the period the goods and services are acquired and a liability is incurred or transfers are due. Gross expenses for the 2015 fiscal year are \$735,262. Budget information is presented on a basis consistent with that used for actual results. The budget was approved by City Council on December 9, 2014. Any Council-approved changes made to capital budgets throughout the fiscal year have been excluded from the 2015 budgeted amounts.

Property Tax Revenue

Property tax revenue is based on assessments determined in accordance with Saskatchewan legislation and the formulas, principles and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal. A provision has been recorded in Accounts Payable and Accrued Liabilities for potential losses on assessment appeals outstanding as of December 31, 2015.

Note 1 | Accounting Policies continued

Cash and Cash Equivalents

Cash and cash equivalents consists of cash on hand and short-term highly liquid investments with original maturities of 90 days or less at the date of acquisition and which are subject to an insignificant risk of change in value. Cash and cash equivalents are recorded at cost.

Government Transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates of the revenue amount can be made. Government transfer programs include operations funding received from Funding Agreements such as the Federal GasTax Revenue Transfer Program, the Urban Highway Connector Program, the Provincial Revenue Sharing Program, the Provincial and Federal Police funding programs as well as Transit and Library Funding Agreements. The use of these funds are restricted to eligible expenditures as identified in the funding agreements. Authorization and approval are required before the funds can be expended.

Inventories of Materials and Supplies

Inventories of materials and supplies are valued at the lower of cost and replacement cost. Cost is determined using an average cost basis.

Land Inventory for Resale

The City is one of the primary property developers in the municipality. Land inventory for resale is recorded at the lower of adjusted cost and replacement cost. Adjusted cost includes amounts for land acquisition and improvements to prepare the land for sale. Land is available for resale when approved for sale by the Land Bank Committee and when all municipal services have been completed.

Loans Receivable

Loans receivable are recorded at cost less allowance for doubtful accounts. Allowance for doubtful accounts is recognized when collection is in doubt. Loans receivable and interest revenue recognized on loans receivable are recorded at lower of cost and net recoverable value.

Investments

All investments are recorded at amortized cost using the effective interest rate method. Premiums and discounts

are amortized over the life of the investment. Investment transactions are accounted for at the settlement date. Investment income is recorded on the accrual basis. When there has been a loss in a value of an investment that is other than temporary decline, the investment is written down to recognize the loss and the loss is recognized in the consolidated statement of operations.

Pension Amounts

The City of Saskatoon makes contributions to the General Superannuation, Part-Time and Seasonal Employee Superannuation, Police Superannuation, and Fire and Protective Services Department Superannuation Plans on behalf of its staff. All plans are defined benefit plans with the exception of the Part-Time and Seasonal Employee plan, which is a defined contribution plan. Pension expense for the defined benefit plans are based on actuarially determined amounts. Pension expense for the defined contribution plan is based on the City's contributions.

Provision for Landfill Closure and Post Closure

The Environmental Management and Protection Act of Saskatchewan sets out the regulatory requirements to properly close and maintain all active and inactive landfill sites. Under environmental law, there is a requirement for closure and post-closure care of landfill sites. This requirement is being provided for over the estimated remaining life of the landfill sites based on usage, and is funded through tipping fees. The annual provision is reported as an expense in Environmental Health and the accumulated provision is reported as a liability on the Consolidated Statement of Financial Position.

Use of Estimates

The preparation of consolidated financial statements in accordance with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods. Significant estimates include accrued pension assets and liabilities, contingent liabilities and commitments, provision for doubtful accounts, employee benefits payable, landfill liability, contaminated sites remediation, the amortization of tangible capital assets, and the allocation of costs associated with land development, including contributions from developers.

Note 1 | Accounting Policies continued

Segmented Reporting

Segmented information on the City's Consolidated Financial Activities is presented in Schedule 4. The basis for segmentation is on capital and operating services for both utilities and the general City programs, plus information on the Library, Mendel, TCU Place and SaskTel Centre. Amounts are further allocated based on the types of services performed in each segment. Each account is designated as belonging to a particular segment and these accounts are further allocated to a particular service area (function) upon preparation of the Consolidated Financial Statements. Employee pension, sick and vacation costs have been allocated to each segment on a pro-rata basis.

Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost less residual value of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

• Buildings	25 to 50 years
• Plants and Facilities	20 to 50 Years
• Roadways	20 to 75 years
• Underground Networks	50 to 75 years
• Electrical Utility	10 to 45 years
• Vehicles	4 to 30 years
• Traffic Control	15 to 30 years
• Machinery and Equipment	5 to 25 years
• Land and Land Improvements	20 to indefinite years
• Furniture and Fixtures	10 to 20 years

A full year's amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for use. Interest costs for the construction and development of tangible capital assets is not capitalized.

Contribution of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.

Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risk incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Land under roads

Land under roads that is acquired other than by a purchase agreement is valued at a nominal cost.

Cultural, historical and works of art

The City manages and controls various works of art and non-operational historical and cultural assets including buildings, artifacts, paintings and sculptures located at City sites and public display areas. These assets are not recorded as tangible capital assets and are expensed.

Accounting Standards Adopted During the Year

Effective April 1, 2014, the City adopted the new accounting standard, PS 3260, Liability for Contaminated Sites. PS 3260 specifies that a liability for a contaminated site should be recognized when, as at the financial reporting date, the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) the government:
 - i) is directly responsible; or
 - ii) accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

The City has adopted this standard prospectively. The effects of this change on the current year financial statements is an increase in liabilities and expenses of \$12,305 for the year ended December 31, 2015 (Note 14).

Accounting Standards Effective Beginning On Or After April 1, 2017*Assets*

PS 3210, Assets provides additional guidance on the definition of assets and new disclosure requirements for those assets not recognized in the government's financial statements.

Contingent Assets

PS 3320, Contingent Assets defines and establishes standards on the reporting and disclosure of possible assets that may arise from existing conditions or situations involving uncertainty. The existence of a contingent asset must be disclosed when the occurrence of the confirming future event is likely.

Note 1 | Accounting Policies continued

Contractual Rights

PS 3380, Contractual Rights defines and establishes standards on contractual rights. Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

Inter-Entity Transactions

PS 3420, Inter-Entity Transactions specifically addresses the reporting of transactions between entities controlled by a government that comprise the government's reporting entity from both a provider and recipient perspective.

Accounting Standards Effective Beginning On Or After April 1, 2018

Restructuring Transactions

PS 3430, Restructuring Transactions establishes how to record and report restructuring transactions, for both transferors and recipients, the transfer of assets and/or liabilities together with related programs or operation responsibilities.

Accounting Standards Effective Beginning On Or After April 1, 2019

Financial Statement Presentation

PS 1201 Financial Statement Presentation requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currencies as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships.

Financial Currency Translation

PS 2601 Foreign Currency Translation requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

Portfolio Investments

PS 3041 Portfolio Investments has removed the distinction between temporary and portfolio investments. This section was amended to conform to PS 3450, Financial Instruments and now includes pooled investments in its scope. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments will no longer apply.

Financial Instruments

PS 3450 Financial Instruments establishes recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivatives and equity instruments that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

The City continues to assess the impacts of the above accounting standards. The extent of impact resulting from the adoption of these standards is not known at this time.

Note 2 | Cash and Cash Equivalents

	Cost		Market	
	2015	2014	2015	2014
Cash	\$ 64,027	\$ 52,618	\$ 64,027	\$ 52,618
Short-Term Investments	4,278	4,316	4,278	4,316
Total	\$ 68,305	\$ 56,934	\$ 68,305	\$ 56,934

Note 3 | Taxes Receivable and Accounts Receivable and User Charges

It is the normal practice of the City to review its accounts receivable on a regular basis and write off any accounts which are considered to be uncollectable. A general allowance of \$918 (2014 – \$958) for uncollectable taxes is included in the balance of Taxes Receivable.

The City also calculates an allowance for uncollectable accounts relating to Utility billings. For 2015, this amount is \$50 (2014 – \$50) and is included in Accounts Receivable and User Charges.

Note 4 | Loans Receivable

City Bylaw No. 8418 was approved by City Council in 2005 to authorize a 15 year loan in the amount of \$10,550 from the City to Saskatoon Soccer Centre Inc. for the construction of the North East Soccer Park, in Forest Park, in Saskatoon. The total annual payment under the loan is shared by Saskatoon Soccer Centre Inc. and the City resulting in an amount receivable from the Saskatoon Soccer Centre Inc. of \$7,037

and a deferred grant of \$3,513 that is amortized over the life of the loan payments. Interest is recognized as earned at 2.80 percent to 4.60 percent over the life of the loan. Security on the loan is by way of an assignment lease against the Henk Ruys Soccer Centre and the North East Soccer Park. The amount receivable and deferred grant as at the end of December 31, 2015 are \$2,811 (2014 – \$3,505).

Note 5 | Other Assets

	2015	2014
Deferred Charges	\$ 4,248	\$ 6,639
Other Inventory for Resale	173	280
	\$ 4,421	\$ 6,919

Note 6 | Investments

	Cost		Market	
	2015	2014	2015	2014
Investments	\$ 372,748	\$ 383,006	\$ 398,384	\$ 395,126

Investments consist primarily of corporate and government bonds. Maturities are between 2016-2025 with effective interest rates of 1.0 percent to 5.45 percent.

2015 Investments contain \$1,781 in restricted funds related to sinking funds accumulated to retire debt.

Note 7 | Net Taxes Available for Municipal Purposes

	2015	2014
Gross Taxation Revenue Collected	\$ 369,818	\$ 347,638
Taxes collected on Behalf of Others:		
Saskatoon School Division No. 13	(107,377)	(103,400)
St. Paul's Roman Catholic Separate School Division No. 20	(43,238)	(42,615)
Business Improvement Districts	(985)	(928)
Net taxes available for municipal purposes	\$ 218,218	\$ 200,695
Comprised of:		
Municipal	213,232	196,367
Grants in Lieu of Taxes	4,986	4,328
	\$ 218,218	\$ 200,695

The *Education Act* and *The Cities Act* set out the manner in which collection of taxes and trailer license fees are to be submitted to the School Boards and the Business Improvement Districts. As the City is acting as agent only for the collection of such taxes, these amounts are not reflected in the Schedule of Revenue and Expenditures, nor are the Assets, Liabilities, and Fund Balances of these Boards included in the consolidated financial statements.

Note 8 | Accrued Pension Asset

The City administers four employee pension plans - the General Superannuation Plan ("General Plan"), the Police Superannuation Plan ("Police Plan"), the Fire and Protective Services Department Superannuation Plan ("Fire Plan"), and the Part-Time and Seasonal Employee Superannuation Plan ("Seasonal Plan"). Combined, these plans provide pension benefits for all eligible staff of the City. General, Police, and Fire Plans are contributory defined benefit plans. The Seasonal Plan is a defined contribution plan. In all Plans, contributions are made by Plan members and the City as stipulated by pension agreements. The defined benefit plans provide for a benefit that is integrated with the Canada Pension Plan, and is based on years of contributory service times a percentage of average earnings as defined by each plan. The Part-Time and Seasonal Employee Superannuation Plan provides a benefit based on the annuity that can be purchased with the funds in an employee's account (i.e. a money purchase plan).

The accrued pension obligation relates to the three main plans - the Retirement Plan for Employees of the City of Saskatoon Board of Police Commissioners, the Retirement Plan for Employees of the Fire and Protective Services Department of the City of Saskatoon, and the General Superannuation Plan for City of Saskatoon employees not covered by the Police and Fire and Protective Services Departments' Superannuation Plans. The General Plan provides for partial inflation protection on benefits accrued to December 31, 2000. Fire and Police plans have provided for partial ad hoc indexing from time to time in the past when deemed affordable through plan surpluses. The latest

increase for eligible retired members of the Fire Plan was granted January 1, 2008 and the latest increase for retired members of the Police Plan was granted July 1, 2010. In accordance with the latest filed valuation report as at December 31, 2014 for the General Plan and December 31, 2012 for the Fire and Police Plans, the average age of the 3,337 employees accruing service under the Plans is 43.23 years. There are four former employees who are entitled to temporary pension benefits. At present, the Plans provide benefits for 1,729 retirees and surviving spouses; benefit payments were \$62,286 in 2015.

Employees make contributions in accordance with the following: General Pension 8.1 percent of salary below the year's maximum pensionable earnings (YMPE) and 9.7 percent above the YMPE; Fire Pension 10.9 percent of salary; and Police Pension 9 percent of salary while the City contributes an equal amount. In 2015, employee contributions for current and past service were \$23,008 (2014 - \$22,240), and the City's contributions were \$22,839 (2014 - \$21,730). A separate pension fund is maintained for each Plan. Pension fund assets are invested entirely in marketable investments of organizations external to the City. The accrued pension obligation at December 31 includes the following components:

Note 8 | Accrued Pension Asset continued

	2015	2014
Accrued benefit obligation	\$ (1,197,190)	\$ (1,123,862)
Pension fund assets		
Marketable securities	1,162,206	1,076,683
	(34,984)	(47,179)
Unamortized actuarial losses	25,688	48,928
Accrued benefit (liability) asset	(9,296)	1,749
Net carrying value of accrued benefit (liability) asset	\$ (9,296)	\$ 1,749

Actuarial valuations for accounting purposes are performed at least triennially using the projected benefit method prorated on services. The most recent valuations were prepared by AON Consulting as at December 31, 2015 for the General Plan, December 31, 2012 for the Fire Plan and December 31, 2012 for the Police Plan. There is a net unamortized actuarial loss to be amortized on a straight-line basis over the expected average remaining service life of the related employee groups applicable to each of the Plans of 13 years on average.

The actuarial valuations were based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases, and employee turnover and mortality. The assumptions used represent the City's best estimates.

The expected inflation rate is 2.25 percent for the three Plans. The discount rate used to determine the accrued benefit obligation is 6.45 percent for the General Plan, 6.6 percent for the Police Plan and 6.55 percent for the Fire Plan. The earnings increase rate is 3.25 percent for the General Plan and 3.5 percent for the Police and Fire Plans.

Pension fund assets are valued using a market-related value which amortizes realized and unrealized gains and losses over a five-year period. The expected rate of return on General Plan assets is 6.70 percent, 6.6 percent for the Police Plan assets and 6.55 percent for the Fire Plan assets. The actual rate of return on Plan assets in 2015 was 9.48 percent. The market value of assets at December 31, 2015 was \$1,221,737 (2014 – \$1,170,292).

Effective for January 1, 2016, the Saskatoon Fire and Protective Services Department Superannuation and Saskatoon Police Superannuation plans were amended to close the plans to new entrants, freeze pensionable service, cease employee contributions and change the cost sharing arrangement in the plan such that the City assumes full responsibility for all past and future deficits in the plan.

The City's contributions to the Defined Contribution Pension Plan for Seasonal and Non-permanent Part-time Employees were \$299 in 2015.

The total expenditures related to pensions in 2015 include the following components:

	2015	2014
Current period benefit cost	\$ 35,229	\$ 37,266
Less: Employee contributions	(23,008)	(22,240)
Curtailments	10,831	-
Amortization of actuarial loss	8,067	7,046
Pension expense excluding interest	31,119	22,072
Interest cost on the average accrued benefit obligation	73,899	69,351
Expected return on average pension plan assets	(71,134)	(67,241)
Pension interest expenditure	2,765	2,110
Total Pension Expense	\$ 33,884	\$ 24,182

Note 9 | Accounts Payable and Accrued Liabilities

Included in accrued liabilities is \$8,379 (2014 - \$6,388) for the estimated total landfill closure and post closure care expenditures. The estimated liability for these expenditures is recognized as the landfill site's capacity is used and the reported liability represents the portion of the estimated total expenditures recognized as at December 31, 2015, based on the cumulative capacity used at that date, compared to the total estimated landfill capacity. Estimated total expenditures represent the sum of the discounted future cash flows for closure and post closure care activities discounted at the City's average long-term borrowing rate of 3.80 percent. The expense recorded with respect to landfill closure liability is recorded in the Consolidated Statement of Operations.

Landfill closure and post closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection, and maintenance. The reported liability is based on estimates and assumptions with respect to events extending over a 35 year post-closure period using the best information available to

management. Future events may result in significant changes to the estimated total expenditures, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate, when applicable.

The estimated remaining capacity of the landfill is 60 percent (2014 - 61 percent) of its total estimated capacity and its estimated remaining life is 45 years (2014 - 46 years). The period for post closure care is estimated to be 35 years (2014 - 35 years).

The expected lifespan for the Landfill has been conservatively estimated on the basis of waste diversion rates rising slowly. With the introduction of residential curbside recycling in 2013 and the beginning of multi-unit recycling in 2014, the diversion rate is expected to eventually rise from the current level of 21 percent to about 30 percent. The expected tonnes of total recyclable material captured is lower than originally anticipated because the increase in curbside and multi-unit collection was accompanied by a decrease in recycling depot tonnage. The optimization strategy for the Landfill is based on the existing facility footprint.

Note 10 | Deferred Revenue

	2015	2014
Development Charges	\$ 59,626	\$ 73,546
Federal Government Transfers	12,915	19,579
Ticket Sales and Other	13,371	14,476
	\$ 85,912	\$ 107,601

Development charges are fees levied on new development to help pay for the infrastructure required to service new growth. Deposits are received for various capital projects from land developers. These are included in the development charges listed above. In addition, deferred Federal Government transfers are externally restricted amounts that are recognized in revenue when the conditions of use are satisfied. Ticket sales and other amounts are a result of the City and its controlled enterprises receiving cash upfront for services they are to perform in the future.

Note 11 | Term Debt

a. Debt

	2015	2014
2015	\$ –	\$ 24,381
2016	24,002	22,634
2017	24,697	23,298
2018	25,433	24,002
2019	22,256	20,792
2020	18,886	17,389
2021	13,108	11,577
2022	13,500	11,934
2023	8,998	7,397
2024	7,513	5,875
2025	3,819	2,986
2026	3,078	3,078
2027	3,171	3,171
2028	3,267	3,267
2029	3,368	3,368
2030	3,469	3,469
2031	3,575	3,575
2032	910	911
2043	45,000	45,000
Total Term Debt	228,050	238,104
Public private partnership ("P3") term debt	35,000	–
	263,050	238,104
Sinking funds accumulated to retire debt	(1,781)	(872)
Net Term Debt	\$ 261,269	\$ 237,232

Interest rates range from 1.81 percent to 4.68 percent. All debt instruments have been issued in Canadian funds.

P3 Term Debt

During construction of the North Commuter Parkway and Traffic Bridge ("NCPTB") and the Civic Operations Centre ("COC"), the City records a portion of the project costs as assets under construction, using the construction costs to date and an equivalent liability to Graham Commuter Partners ("GCP") and Integrated Team Solutions ("ITS") respectively. The term debt represents the deferred capital payment portions of the project costs based on the terms of the agreement. Once completed, the City amortizes the accumulated costs of the completed project over its useful

life, expenses the annual interest cost and settles the long-term liability over the term of the project agreements. The City has \$35,000 (2014 – \$nil) of term debt. Debt is under a 25 year term with monthly interest and principal payments. Principal is due 2041.

b. Components of Debt

	2015	2014
Royal Bank Bankers' Acceptance Loan – offering rate plus spread of 0.20%, revolves quarterly at progressively smaller amounts until October 2018 (offering rate at December 31, 2015 was 0.804%)	\$ 10,991	\$ 14,375
Royal Bank Bankers' Acceptance Loan – offering rate plus spread of 0.28%, revolves quarterly at progressively smaller amounts until March 2025 (offering rate at December 31, 2015 was 0.863%)	14,328	–
Royal Bank Bankers' Acceptance Loan – offering rate plus spread of 0.30%, revolves quarterly at progressively smaller amounts until February 2032 (offering rate at December 31, 2015 was 0.822%)	47,033	49,246
Total	\$ 72,352	\$ 63,621

The above "Components of Debt" are included in the total Net Term Debt balance in Note 11.a. Note 11.b. shows RBC loans in more detail.

c. Regulations

The regulations under *The Cities Act* require that individual debenture issue bylaws be submitted, reviewed, and approved by the Saskatchewan Municipal Board ("SMB") with the exception that an urban municipality with a population greater than 30,000 can apply to the SMB for a debt limit. The City's debt limit is \$558,000 (2014 – \$558,000) as approved by the SMB. The total interest paid by the City for debt in 2015 was \$10,560 (2014 – \$7,614).

Note 12 | Employee Benefits Payable

Vacation leave is credited to employees on a monthly basis based on contractual obligations. Such credits are accumulated from the period April 1 to March 31 and may not be taken in advance. Therefore, credits earned from April 1, 2015 to December 31, 2015 would normally be available to employees after April 1, 2016.

The City operates a number of Sick Leave Benefit Plans as stipulated within agreements with the various Unions and Associations of employees. These plans are based on the accumulation of sick leave credits to a specified maximum, or are guaranteed long-term disability plans. For those Unions with accumulated sick leave plans, the employee is entitled to a cash payment under specified circumstances, including retirements, based upon a formula stipulated in the union agreements.

Employee benefits payable are recorded as financial liabilities on the Consolidated Statement of Financial Position, offset by a reduction in fund balances. The total of these liabilities is as follows:

	2015	2014
Vacation leave accrual	\$ 19,585	\$ 20,566
Sick leave credits	18,280	15,246
	\$ 37,865	\$ 35,812

The City's liability for sick leave credits is an actuarially determined amount. Significant assumptions include: discount rate 3.00 percent; earnings increase rate 3.25 percent; and, inflation rate 2.25 percent.

Note 13 | Government Transfers

The following transfers have been included in revenues:

	2015	2014
Operating Transfers		
Federal	\$ 8,495	\$ 8,802
Provincial	58,125	55,661
	66,620	64,463
Capital Transfers		
Federal	13,236	13,634
Provincial	12,093	3,128
	25,329	16,762
	\$ 91,949	\$ 81,225

Minor adjustments may have been performed on prior years amounts to further align the consolidated financial statements with appropriate disclosure. Nothing of significance will be highlighted.

Note 14 | Commitments and Contingent Liabilities

Lawsuits

Various lawsuits and claims are pending by and against the City. Provisions have been made for any claims that are likely and the amount of the potential loss can be reasonably estimated. It is the opinion of management that final determination of any other claims will not materially affect the financial position of the City.

Contaminated Sites

A provision for remediation of known contaminated sites has been accrued in Accounts Payable and Accrued Liabilities in the amount of \$12,305 (2014 – \$nil). The provision is based on expenditures expected to be incurred over

the next 10 years discounted using rates ranging from .63 percent to 2.40 percent. The liability reflects the City's best estimate as at December 31, 2015, of the amount that is required to remediate non-productive sites back to current environmental standards. Where possible, provisions for remediation are based on environmental assessments completed on a site. For sites where no assessment has been completed, estimates of the remediation are completed using the best information available for the site.

The liability for contaminated sites include sites associated with former industrial operations. The nature of contamination includes chemicals, heavy metals, salt and other organic and in-organic contaminants. The sources of the contamination include underground fuel storage tanks,

Note 14 | Commitments and Contingent Liabilities continued

hazardous materials storage and other industrial activities. Sites often have multiple sources of contamination.

NCPTB

NCPTB is being pursued as a P3 project and has qualified for P3 funding from the Government of Canada and Province of Saskatchewan. On September 8, 2015 City Council announced that GCP has been chosen to design, build, finance, operate and maintain the NCPTB. The project is expected to be substantially complete October 2018. GCP will operate and maintain the North Commuter Parkway and adjacent roadways until 2048 and will maintain the Traffic Bridge until 2048 (Note 11).

COC

The COC is being pursued as a P3 project and has qualified for P3 funding from the Government of Canada. On October 27, 2014, City Council announced that ITS will design, build, finance and maintain the Transit Operations Facility and a permanent Snow Management Facility both located at COC Phase 1. Construction of Phase 1 is expected to be substantially complete late 2016 with move in by early 2017. ITS will operate the new facility until fall 2041 (Note 11).

Note 15 | Property Realized Reserve

The Property Realized Reserve, which is included on Schedule 3, is reported net of all withdrawals. This practice does not recognize the value of assets for property purchased but not yet sold, or repayable advances of funds. At December 31, 2015, the gross value of the Property Realized Reserve is estimated to be \$158,945 (2014 – \$152,850) itemized as follows:

	2015	2014
Gross Value of Reserve, December 31	\$ 158,945	\$ 152,850
Advances Repayable from Future Revenue Fund Provisions	(8,072)	(8,720)
Property Purchased from Reserve and not yet re-sold (at estimated cost)	(123,081)	(115,175)
Net Balance of Reserve, December 31	\$ 27,792	\$ 28,955

Note 16 | Trust Funds

The City administers two trust funds, the Cemetery Perpetual Care Fund and the Group Insurance Trust Fund. The reserve balances in these trusts are \$4,365 (2014 – \$4,050) and \$836 (2014 – \$1,242), respectively.

Note 17 | Expenditures by Object

The following is a summary of the expenses reported on the Consolidated Statement of Operations by object of expenses:

	2015	2014
Wages and Benefits	\$ 282,741	\$ 266,776
Contracted and General Services	188,684	158,191
Heating, Lighting, Power, Water, and Telephone	99,809	96,332
Materials, Goods and Supplies	23,353	21,101
Finance Charges	12,098	6,493
Donations, Grants and Subsidies	11,679	8,835
Amortization	116,898	109,966
	\$ 735,262	\$ 667,694

Note 18 | Tangible Capital Assets

	Net Book Value	
	2015	2014
Land	\$ 276,808	\$ 264,768
Land Improvements	161,527	159,136
Buildings	295,791	294,203
Roadways	954,778	939,411
Plant and Facilities	250,955	194,966
Underground Networks	819,195	787,429
Electrical Utility	209,182	205,324
Machinery and Equipment	18,155	16,497
Traffic Control	9,318	9,212
Vehicles	61,827	57,375
Other	24,970	23,543
	3,082,506	2,951,864
Assets under Construction	617,147	421,622
	\$ 3,699,653	\$ 3,373,486

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 5). Contributed assets totaled \$35,000 (2014 – \$16,634) and were capitalized at their fair value at the time of receipt. Assets contributed consisted of underground networks, including sanitary sewer mains, storm water mains and water mains. Roadway components, including sidewalks and local roads, were also contributed in the year.

During the year, tangible capital assets of \$29,090 were included as assets under construction and a related accounts payable and accrued liability of \$29,090 were recorded in relation to the NCPTB.

During the year, tangible capital assets of \$75,739 were included as assets under construction and a related accounts payable and accrued liability of \$40,740 and term-debt of \$35,000 were recorded in relation to the P3 projects.

Note 19 | Accumulated Surplus

	2015	2014
Fund Balances		
Funds to offset taxation or user charges in future years (Schedule 1)	\$ 13,574	\$ (24,496)
Unexpended capital financing (Schedule 2)	61,985	130,085
Reserves	140,951	84,070
	216,510	189,659
Net Investment in Tangible Capital Assets		
Tangible Capital Assets	3,699,653	3,373,486
Capital outlay financed by long-term liabilities to be recovered in future years	(235,952)	(91,998)
Capital outlay financed by internal investments	(13,749)	(15,248)
	3,449,952	3,266,240
Total Accumulated Surplus	\$ 3,666,462	\$ 3,455,899

SCHEDULES

City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2015

Schedule 1

Schedule of Funds to Offset Taxation or User Charges in Future Years

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015	2014
Balance, Beginning of Year	\$ (24,496)	\$ (30,019)
Transfer (to) from Revenue Stabilization Reserve	(553)	3,442
Increase in Employee Benefit Payables	(2,053)	(2,650)
Decrease in Accrued Pension Asset	-	(2,427)
Increase in Landfill Closure/Post Closure Care Liability	(337)	(1,080)
Increase in Accrued Debt Principal	50,000	7,685
Increase in Accrued Pension Liability	(11,045)	-
Surplus for the Year (Schedule 6)	2,058	553
Balance, End of Year	\$ 13,574	\$ (24,496)

Schedule 2

Schedule of Capital Operations

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Source of funds			
Province of Saskatchewan	\$ 12,500	\$ 8,040	\$ 165
Municipal Economic Enhancement Program	318	-	-
Provincial Building Communities Program	-	-	2,274
Urban Highway Connector Program	-	678	473
Government of Canada	-	57	16
Federal Transit Funding Program	-	2,380	3,510
Federal Gateway and Border Crossings	-	2,056	2,961
Building Canada Fund (FED)	-	3,965	6,673
Building Canada Fund (PROV)	-	4,134	529
FCM Green Fund Grant	-	-	28
Western Economic Diversification	-	-	130
Taxation	4,052	3,932	4,543
Utility Contribution	655	5,809	8,061
Borrowing	8,395	-	-
Contributions from Developers Benefiting Property Owners and Other Users	33,319	60,534	41,432
Appropriations			
Reserves	170,628	170,628	251,083
Library Capital Reserve	4,282	-	-
	234,149	262,213	321,878
Expenditures			
General Government	1,704	6,864	7,895
Protection of Persons and Property	3,622	5,015	4,949
Transportation	87,599	133,498	112,061
Environmental Health	50,361	60,736	85,068
Social and Family Services	-	-	(540)
Planning and Development	34,458	60,011	34,932
Recreation and Culture	24,029	44,566	44,174
Saskatoon Light & Power Expansion and Replacements	24,244	19,623	18,007
Library	8,132	-	-
	234,149	330,313	306,546
Increase (Decrease) in Unexpended Capital Financing	-	(68,100)	15,332
Unexpended Capital Financing, Beginning of Year	-	130,085	114,753
Unexpended Capital Financing, End of Year	\$ -	\$ 61,985	\$ 130,085

Schedule 3

Schedule of Reserves

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015	2014
Replacement		
Albert Community Centre	\$ 29	\$ 7
Automated Garbage Containers	19	(134)
Access Transit	66	49
Boards:		
TCU Place	3,689	1,352
Saskatoon Public Library	4,548	3,791
Mendel Art Gallery	-	44
SaskTel Centre	431	407
Buildings and Grounds Equipment	187	130
Bus Replacement	822	201
Civic Radio Reserve	20	80
Civic Vehicles and Equipment	3,425	1,027
Computer Equipment	393	301
Fire Apparatus	546	873
Fire Equipment	101	57
Grounds Maintenance Equip Acquisition	211	96
Infrastructure Replacement:		
Parks	(1,302)	(2,340)
Storm Water Management	3,538	1,433
Surface Improvements	(14)	419
Water and Sewer Replacement	(9,944)	(15,511)
Landfill	(1,787)	(3,931)
Leisure Service Equipment	893	687
Paved Roadways Infrastructure	38	39
Photocopy Machine	166	282
Police - Vehicle/Radio	541	779
Radio Trunking	304	281
Saskatoon Light & Power	6,984	8,126
Wastewater Collection/Treatment	1,732	249
Water Utility	2,275	1,005
Weigh Scales	181	181
Balance, End of Year	\$ 18,092	\$ (20)

Schedule 3 continued

Schedule of Reserves

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015	2014
Future Expenditures		
Animal Services	\$ 68	\$ 168
Animal Trading – Zoo	64	65
Active Transportation Reserve	39	8
Affordable Housing – Operating	88	1,019
Arbor Creek Parks	184	191
Boards:		
TCU Place	3,716	4,934
Saskatoon Public Library	21,130	20,582
Mendel Art Gallery	6,385	4,980
SaskTel Centre	4,793	4,871
Bridge Major Repairs	(253)	3,047
Building Permits/Inspections	8,042	6,042
Campsite	444	387
Cemetery	401	270
Civic Buildings Comprehensive Maintenance	1,339	1,665
Civic Hospitality	162	152
Community Support Grant	139	187
Corporate Capital	665	544
Corporate Information Systems Development	691	567
Cosmo Stabilization	30	30
Cultural Capital	47	49
Dedicated Lands	2,528	3,027
Dedicated Roadways	608	1,012
Downtown Housing	645	518
Errors and Omissions	656	591
Facade Conservation and Enhancement	94	84
Fire Department Uniforms	201	243
Fiscal Stabilization	6,552	6,151
Forestry Farm	157	169
Fuel Stabilization	1,325	1,325
General Voting	226	156
Golf Course Capital	936	647
Golf Course Stabilization	200	200
Heritage Fund	191	229

Schedule 3 continued

Schedule of Reserves

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015	2014
Holiday Park Golf Course Development	\$ 969	\$ 877
Idylwyld Drive Maintenance	951	936
Insurance Deductible	2,248	2,175
Interest Stabilization	2,029	2,029
Lakeridge Ponding	57	57
Land Bank	(15,245)	(22,823)
Land Operations	3,413	2,725
Neighbourhood Park Enhancement	262	304
Parking Facilities	741	788
Parks Grounds Maintenance Stabilization	336	400
Pest Control	54	41
Police Equipment	129	224
Police Facilities Major Repair	548	430
Planning Levy	338	731
Prepaid Services	(25,318)	(47,418)
Property Realized	27,792	28,955
Public Works Building	89	73
Recycling Utility Stabilization	441	247
Reserve for Capital Expenditures	2,478	804
River Landing Capital	226	153
Saskatoon Minor Football Field Stabilization	65	65
Saskatoon Light & Power Distribution Extension	(4,934)	(4,975)
Saskatoon Light & Power Revenue Stabilization	60	932
Saskatoon Soccer Capital	1,096	871
Sign Shop Equipment Acquisition	217	158
Snow and Ice Contingency	977	489
Snow and Ice Equip Acquisition	2	152
Special Events	1,215	1,235
Sports Participation	90	84
Storm Water Management Utility Stabilization	1,197	1,100
Streetscape	3,405	2,658
Street Cleaning/Sweeping Acquisition	131	104
Sundry	24,871	27,194
Traffic Noise Attenuation	2,001	900
Traffic Safety	1,309	801

Schedule 3 continued

Schedule of Reserves

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015	2014
Transit Capital	\$ 267	\$ (5)
Transportation Infrastructure Expansion	858	(254)
Vehicle and Equipment	2,251	3,627
Warranty	2,023	2,136
Wastewater Collection/Treatment Capital	6,536	4,041
Water and Wastewater Utility Stabilization	9,803	6,800
Water Capital Projects	4,388	159
Balance, End of Year	122,859	84,090
Total Reserves, End of Year	\$ 140,951	\$ 84,070

Schedule 4

Schedule of Financial Activities by Segment

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	General Operating	Utility Operating	General Capital	Utility Capital	Library	Mendel	TCU Place	SaskTel Centre	Consolidation Adjustments	2015
Revenues										
Taxation	\$ 193,806	\$ -	\$ 3,932	\$ -	\$ 19,426	\$ -	\$ -	\$ -	\$ (3,932)	\$ 213,232
Grants in Lieu of Taxes	34,703	-	-	-	-	-	-	-	(29,717)	4,986
User Charges	83,360	289,680	-	-	220	305	11,214	19,468	(25,165)	379,082
Government Transfers	65,318	-	23,417	1,912	696	606	-	-	-	91,949
Investment Income	10,810	-	-	-	-	-	48	121	2,729	13,708
Contribution from Developers	-	-	58,149	5,532	-	-	-	-	132,462	196,143
Other	50,110	-	-	-	280	-	-	-	(3,665)	46,725
From Reserves	-	-	131,296	39,331	-	-	-	-	(170,627)	-
Utility Contribution	-	-	-	5,809	-	-	-	-	(5,809)	-
Total Revenues	438,107	289,680	216,794	52,584	20,622	911	11,262	19,589	(103,724)	945,825
Expenses										
General Government	83,299	-	4,700	-	-	-	-	-	(52,615)	35,384
Protection of Persons and Property	161,258	-	5,344	-	-	-	-	-	(4,250)	162,352
Transportation	83,023	5,754	146,278	-	-	-	-	-	(82,199)	152,856
Environmental Health	28,792	121,020	34,541	30,132	-	-	-	-	(114,702)	99,783
Social and Family Services	4,662	-	-	-	-	-	-	-	1,875	6,537
Planning and Development	29,508	-	44,243	-	-	-	-	-	(24,307)	49,444
Recreation and Culture	46,620	-	47,874	-	20,702	12,691	11,794	19,276	(56,957)	102,000
Saskatoon Light & Power	-	153,642	3,888	15,630	-	-	-	-	(56,814)	116,346
Debt Servicing Costs	15,134	(3,039)	-	-	-	-	-	-	(1,535)	10,560
Total Expenses	452,296	277,377	286,868	45,762	20,702	12,691	11,794	19,276	(391,504)	735,262
Surplus (Deficit) of Revenues over Expenses										
	\$ (14,189)	\$ 12,303	\$ (70,074)	\$ 6,822	\$ (80)	\$ (11,780)	\$ (532)	\$ 313	\$ 287,780	\$ 210,563

Schedule 4 continued

Schedule of Financial Activities by Segment

For the Year Ended December 31, 2014 (in thousands of dollars)
(unaudited)

	General Operating	Utility Operating	General Capital	Utility Capital	Library	Mendel	TCU Place	Credit Union Centre	Consolidation Adjustments	2014
Revenues										
Taxation	\$ 178,318	\$ -	\$ 4,543	\$ -	\$ 18,049	\$ -	\$ -	\$ -	\$ (4,543)	\$ 196,367
Grants in Lieu of Taxes	33,135	-	-	-	-	-	-	-	(28,807)	4,328
User Charges	81,755	269,875	-	-	294	564	11,328	22,431	(25,434)	360,813
FCM Green Fund Grant	28	-	-	-	-	-	-	-	-	28
Government Transfers	62,879	-	13,403	3,329	701	913	-	-	-	81,225
Investment Income	10,342	-	-	-	-	-	62	153	2,918	13,475
Contribution from Developers	-	-	41,868	2,271	-	-	-	-	124,185	168,324
Other	48,343	-	-	-	238	-	-	-	(3,880)	44,701
From Reserves	-	-	216,248	34,835	-	-	-	-	(251,083)	-
Utility Contribution	-	-	-	8,061	-	-	-	-	(8,061)	-
Total Revenues	414,800	269,875	276,062	48,496	19,282	1,477	11,390	22,584	(194,705)	869,261
Expenses										
General Government	61,477	-	7,945	-	-	-	-	-	(42,733)	26,689
Protection of Persons and Property	141,316	-	4,981	-	-	-	-	-	(4,344)	141,953
Transportation	84,595	5,413	112,781	539	-	-	-	-	(54,025)	149,303
Environmental Health	16,075	104,959	39,967	45,641	-	-	-	-	(115,124)	91,518
Social and Family Services	4,266	-	(540)	-	-	-	-	-	672	4,398
Planning and Development	31,609	-	35,103	-	-	-	-	-	(29,785)	36,927
Recreation and Culture	43,803	-	45,895	-	19,398	9,969	12,032	22,313	(50,197)	103,213
Saskatoon Light & Power	1	151,133	3,018	15,104	-	-	-	-	(62,688)	106,568
Debt Servicing Costs	12,557	1,731	-	-	-	-	-	-	(7,163)	7,125
Total Expenses	395,699	263,236	249,150	61,284	19,398	9,969	12,032	22,313	(365,387)	667,694
Surplus (Deficit) of Revenues over Expenses										
	\$ 19,101	\$ 6,639	\$ 26,912	\$ (12,788)	\$ (116)	\$ (8,492)	\$ (642)	\$ 271	\$ 170,682	\$ 201,567

Schedule 5

Consolidated Schedule of Tangible Capital Assets

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	Cost					Accumulated Amortization				Net Book Value	
	Opening Balance	Additions	Disposals	Write- Downs	Balance End of Year	Accumulated Amortization Beginning of Year	Accumulated Amortization on Disposals	Amortization	Accumulated Amortization End of Year	Tangible Capital Assets End of Year	
										2015	2014
Land	\$ 264,768	\$ 15,296	\$ (3,256)	\$ -	\$ 276,808	\$ -	\$ -	\$ -	\$ -	\$ 276,808	\$ 264,768
Land Improvements	281,571	12,957	-	(306)	294,222	122,435	-	10,260	132,695	161,527	159,136
Buildings	404,259	9,725	-	-	413,984	110,057	-	8,136	118,193	295,791	294,202
Roadways	1,520,894	65,454	-	(1,420)	1,584,928	581,482	-	48,668	630,150	954,778	939,412
Plant and Facilities	281,754	66,517	-	-	348,271	86,787	-	10,529	97,316	250,955	194,967
Underground Networks	1,081,959	46,753	-	-	1,128,712	294,530	-	14,987	309,517	819,195	787,429
Electrical Utility	351,544	14,766	(1,128)	-	365,182	146,220	587	10,367	156,000	209,182	205,324
Machinery and Equipment	29,772	3,700	(76)	-	33,396	13,276	70	2,035	15,241	18,155	16,496
Traffic Control	20,005	779	-	-	20,784	10,793	-	673	11,466	9,318	9,212
Vehicles	137,799	13,721	(16,456)	(8)	135,056	80,424	15,051	7,856	73,229	61,827	57,375
Other Property, Plant and Equipment	92,476	4,931	-	(117)	97,290	68,933	-	3,387	72,320	24,970	23,543
Assets under Construction	421,622	198,794	-	(3,269)	617,147	-	-	-	-	617,147	421,622
Total	\$ 4,888,423	\$ 453,393	\$ (20,916)	\$ (5,120)	\$ 5,315,780	\$ 1,514,937	\$ 15,708	\$ 116,898	\$ 1,616,127	\$ 3,699,653	\$ 3,373,486

Schedule 6

Schedule of Revenues and Expenditures

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Revenues			
Taxation	\$ 193,116	\$ 193,806	\$ 178,318
Grants in Lieu of Taxes	34,525	34,708	33,135
General Revenues	83,841	91,322	83,977
User Fees	54,049	49,363	48,847
Transfers from Other Gov't (Grants)	65,085	65,318	62,878
Land Administration Fee	8,436	3,590	7,024
Total Revenues for the Year (Appendix 1)	439,052	438,107	414,179
Expenditures			
Community Support	15,632	15,775	14,777
Corporate Asset Management	8,001	7,755	7,144
Environmental Health	18,869	18,622	18,456
Corporate Governance and Finance	87,909	92,563	80,572
Land Development	8,436	3,590	7,024
Fire Services	45,812	45,955	43,944
Recreation and Culture	54,808	54,944	51,507
Police	89,590	89,949	85,038
Transportation	96,452	92,778	93,156
Urban Planning and Development	11,986	12,780	10,843
Taxation	1,557	1,338	1,165
Total Expenditures for the Year (Appendix 2)	439,052	436,049	413,626
Surplus	\$ -	\$ 2,058	\$ 553

APPENDICES

City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2015

Appendix 1

Schedule of Revenues

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Taxation			
Property Levy	\$ 192,606	\$ 193,406	\$ 177,945
Municipal Services Agreement	195	237	204
Trailer Occupancy	173	94	95
Amusement	142	69	74
	193,116	193,806	178,318
Grants in Lieu of Taxes			
Senior Governments and Agencies	4,980	4,999	4,779
Own Utilities – Saskatoon Light & Power	20,770	20,483	20,202
Own Utilities – Water	4,838	4,838	4,505
Own Utilities – Wastewater	3,641	3,641	3,371
Land Bank Program	296	747	278
	34,525	34,708	33,135
General Revenues			
R.M. of Corman Park	75	126	75
Provincial Government	1,071	982	941
Licence and Permits	8,824	10,170	8,293
Fines and Penalties	5,370	8,150	9,610
Automated Enforcement Fines	2,099	3,835	2,847
Property Rentals	2,392	3,020	2,917
Franchise Fees	21,059	21,616	20,957
Interest Earnings	11,109	10,810	10,342
Tax Penalties	1,250	1,846	1,619
Other Revenue	180	348	469
Utility Return on Investment	24,297	24,297	23,860
Administration Recovery	6,105	6,105	2,024
Soccer Centre Tax Agreement and Other Grant	10	17	23
	83,841	91,322	83,977

Appendix 1 continued

Schedule of Revenues

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
User Fees			
Legal Fees	\$ 222	\$ 288	\$ 229
Tax Searches and Enforcement	203	240	219
Police	1,317	2,051	1,748
Fire	672	377	261
Engineering	802	239	759
Parking	6,907	5,281	5,756
Solid Waste Management	5,930	5,054	6,095
Environmental Protection	824	67	114
Transportation	245	224	231
Cemetery	1,150	1,122	1,123
Planning	367	259	253
Tourist Campsite	553	568	590
Forestry Farm Park	769	947	896
Kinsmen Park Rides	348	289	-
Albert Community Centre	113	189	179
Swimming Pools	419	430	418
Golf Courses	3,737	3,789	3,525
Skating Rinks	2,054	2,061	2,026
Rentals	5,860	5,745	5,788
Programming	6,272	6,016	6,008
Outdoor Sports Fields	504	517	415
Transit	14,638	13,144	11,858
River Landing	143	466	356
	54,049	49,363	48,847
Transfers from Other Gov't (Grants)	65,085	65,318	62,878
Land Administration Fee	8,436	3,590	7,024
Total Revenues	\$ 439,052	\$ 438,107	\$ 414,179

Appendix 2

Schedule of Expenditures

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Community Support			
Community Development	\$ 3,436	\$ 3,536	\$ 3,216
Community Investments and Supports	9,293	9,245	8,835
Animal Control	1,387	1,405	1,259
Cemeteries	1,516	1,589	1,467
	15,632	15,775	14,777
Corporate Asset Management			
Civic Facilities	8,001	7,755	7,144
Environmental Health			
Environmental Program	670	875	332
Waste Collection and Disposal	12,861	12,595	13,386
Waste Minimization	493	493	705
Urban Forestry	3,505	3,363	3,260
Pest Management	869	822	773
Environmental Awareness	471	474	-
	18,869	18,622	18,456
Corporate Governance and Finance			
Legislative	1,542	1,368	1,300
City Manager's Office	656	658	654
City Clerk's Office	2,277	2,108	2,117
City Solicitor's Office	2,152	2,077	2,097
Financial Services	4,089	4,089	3,831
Revenue Services	1,824	1,824	1,826
Assessment	3,561	3,199	3,280
Corporate Support	15,042	15,042	14,249
General Services	50,825	54,389	44,364
City-Owned Property	2,108	2,307	2,258
Fines and Penalties	3,833	5,502	4,596
	87,909	92,563	80,572
Land Development	8,436	3,590	7,024

Appendix 2 continued

Schedule of Expenditures

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Fire Services			
Fire	\$ 45,404	\$ 45,558	\$ 43,539
Emergency Measures	408	397	405
	45,812	45,955	43,944
Police	89,590	89,949	85,038
Recreation and Culture			
Spectator Ballfields	151	147	126
Marketing Services	599	591	569
Community Partnerships	357	284	312
Forestry Farm Park	2,435	2,570	2,396
Golf Courses	3,937	3,789	3,525
Gordon Howe Campsite	585	567	591
Indoor Rinks	2,334	2,409	2,240
Kinsmen Park	350	288	46
Outdoor Pools	1,246	1,216	1,117
Outdoor Sports Fields	886	872	816
Parks Maintenance and Design	13,670	13,656	12,783
Playground and Recreation Areas	880	829	820
Program Research and Design	214	230	218
Recreation/Competitive Facilities – Program	10,176	10,107	9,975
Recreation/Competitive Facilities – Rentals	10,053	9,982	9,736
Targeted Programming	589	713	570
Albert Community Centre	227	220	233
Race Relations	140	138	–
Credit Union Centre	558	559	499
Marr Residence	22	28	21
Mendel Art Gallery	3,661	3,661	3,069
River Landing	117	467	355
TCU Place	1,621	1,621	1,490
	54,808	54,944	51,507

Appendix 2 continued

Schedule of Expenditures

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Transportation			
Transit	\$ 40,858	\$ 39,370	\$ 37,294
Access Transit	4,655	4,686	4,613
Transportation Services	7,757	6,571	7,418
Road Maintenance	10,725	10,678	10,543
Snow and Ice Management	11,618	11,024	13,085
Street Cleaning/Sweeping	3,321	3,866	4,114
Bridges, Subways, Overpasses	5,164	5,123	4,083
Street Lighting	5,994	5,773	5,864
Parking	4,791	4,791	4,812
Engineering	744	628	611
Impound Lot	825	268	719
	96,452	92,778	93,156
Urban Planning and Development			
Affordable Housing	336	336	358
Building Permits and Standards	6,694	7,716	6,108
Business Improvement Districts	108	108	108
Business Licenses and Bylaw Enforcement	1,495	1,435	1,296
Development Review	1,196	1,191	1,111
Future Growth	1,168	1,082	942
Neighborhood Planning	539	483	512
Research and Mapping	440	419	392
Urban Design	10	10	16
	11,986	12,780	10,843
Taxation			
Other Levies	1,114	1,078	1,084
Tax Loss Compensation	443	260	81
	1,557	1,338	1,165
Total Expenditures	\$ 439,052	\$ 436,049	\$ 413,626

Appendix 3

Water Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Revenues			
Metered	\$ 53,752	\$ 54,676	\$ 50,035
Infrastructure Levy	9,007	9,367	7,106
Miscellaneous	137	285	297
Fire Protection Charge	697	697	682
Late Payment Penalties	154	174	139
	63,747	65,199	58,259
Expenditures			
General	10,054	9,932	9,257
Laboratory	—	(77)	(99)
Treatment and Pumping	11,061	10,814	9,098
Buildings and Grounds	915	913	799
Meters	1,534	1,602	1,453
Watermains	7,535	7,422	8,559
Hydrants	1,335	829	584
Services	2,410	2,859	2,668
Contribution to Capital Reserves	19,642	20,059	14,433
Debt Charges	9,261	9,238	11,841
	63,747	63,591	58,593
Surplus (Deficit) Before Transfer from (to) Reserve	—	1,608	(334)
Transfer from (to) Stabilization Reserve	—	(1,608)	334
Surplus	\$ —	\$ —	\$ —

Appendix 4

Wastewater Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Revenues			
Metered	\$ 40,461	\$ 40,563	\$ 36,114
Infrastructure Levy	12,438	12,935	9,813
Late Payment Penalties	101	116	93
Miscellaneous	769	1,607	1,620
Flood Protection Levy	3,697	3,841	3,769
	57,466	59,062	51,409
Expenditures			
General	7,324	7,166	6,483
Laboratory	—	(4)	(20)
Lift Stations	1,396	1,751	1,763
Pollution Control Plant	7,696	7,423	7,057
Sludge Handling and Disposal	2,002	1,710	1,591
Sewer Engineering	435	417	304
Sewer Inspections	636	374	315
Sewer Maintenance	4,417	3,907	3,581
Service Connections	2,482	1,669	1,703
Contribution to Capital Reserves	26,833	27,531	19,937
Debt Charges	4,245	4,151	6,195
	57,466	56,095	48,909
Surplus Before Transfer to Reserve	—	2,967	2,500
Transfer to Stabilization Reserve	—	(2,967)	(2,500)
Surplus	\$ —	\$ —	\$ —

Appendix 5

Storm Water Management Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Revenues			
Metered	\$ 6,184	\$ 5,729	\$ 5,369
Late Payment Penalties	10	12	9
	6,194	5,741	5,378
Expenditures			
General	210	151	229
Storm Sewer Engineering	407	418	269
Storm Sewer Maintenance	1,831	1,448	1,315
Drainage	789	671	814
Contribution to Capital Reserves	2,957	2,957	3,028
	6,194	5,645	5,655
Surplus (Deficit) Before Transfer from (to) Reserve	-	96	(277)
Transfer from (to) Stabilization Reserve	-	(96)	277
Surplus	\$ -	\$ -	\$ -

Appendix 6

Saskatoon Light & Power Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Revenues			
Metered	\$ 138,435	\$ 136,524	\$ 134,650
Municipal Surcharge	13,843	13,652	13,464
Service Connection Fee	435	446	439
Miscellaneous	624	807	540
Landfill Gas Generation	1,100	1,121	848
Tax Collection Commission	2	2	2
Late Payment Penalties	260	291	232
	154,699	152,843	150,175
Expenditures			
General	26,110	25,461	25,086
Power Purchased	81,556	80,509	77,360
Landfill Gas Generation	1,100	1,120	849
Buildings and Grounds	792	569	756
Poles, Lines, and Feeders	4,943	5,434	4,723
Substations	996	1,018	984
Street Lighting	1,284	1,482	1,553
Meters	1,344	1,564	1,140
System Operations	182	161	200
Provision for Capital Extension	6,279	6,279	5,996
Provision for Capital Replacement	7,055	7,055	7,187
	131,641	130,652	125,834
Surplus Before Transfer to Reserve	23,058	22,191	24,341
Transfer to Stabilization Reserve	–	(872)	(932)
Surplus	\$ 23,058	\$ 21,319	\$ 23,409

Appendix 7

Recycling Utility Statement of Revenues and Expenditures

For the Year Ended December 31, 2015 (in thousands of dollars)
(unaudited)

	2015 Budget	2015	2014
Revenues			
Recycling	\$ 4,121	\$ 4,063	\$ 3,868
Multi Unit Recycling	2,333	1,949	78
Leaves and Grass	275	344	707
Compost Depots	479	475	-
	7,208	6,831	4,653
Expenditures			
Recycling	4,121	4,062	3,867
Multi Unit Recycling	2,333	1,949	78
Leaves and Grass	275	344	708
Compost	479	476	-
	7,208	6,831	4,653
Surplus	-	-	-
Transfer to Stabilization Reserve	-	-	-
Surplus	\$ -	\$ -	\$ -

STATISTICAL (UNAUDITED)

City of Saskatoon, Saskatchewan, Canada
Year Ended December 31, 2015

Consolidated Revenues and Expenditures

For the Years Ended December 31, 2015 to 2011 (in thousands of dollars)
(unaudited)

	2015	2014	2013	2012	2011
Consolidated Revenues					
Taxation	\$ 213,232	\$ 196,367	\$ 178,380	\$ 166,000	\$ 154,687
Grants in Lieu of Taxes	4,986	4,328	4,429	4,043	4,133
User Charges	379,082	360,813	338,675	316,826	300,291
Federation of Canadian Municipalities	—	—	—	—	217
FCM Green Fund Grant	—	28	91	(54)	54
Government Transfers	91,949	81,225	99,914	135,798	164,660
Investment Income	13,708	13,475	12,173	11,305	10,987
Contribution from Developers	196,143	168,324	192,990	225,846	145,367
Other	46,725	44,701	40,218	35,386	32,956
Western Economic Diversification	—	—	—	—	5
Total Revenues	\$ 945,825	\$ 869,261	\$ 866,870	\$ 895,150	\$ 813,357
Consolidated Expenses					
General Government	\$ 35,384	\$ 26,689	\$ 30,557	\$ 25,177	\$ 23,865
Transportation	152,856	149,303	145,911	126,176	103,483
Protection of Persons and Property	162,352	141,953	135,822	125,748	121,840
Recreation and Culture	102,000	103,213	109,207	88,452	83,536
Social and Family Services	6,537	4,398	6,032	8,784	8,437
Planning and Development	49,444	36,927	24,961	27,976	36,879
Saskatoon Light & Power	116,346	106,568	96,376	89,733	86,930
Environmental Health	99,783	91,518	92,230	81,036	86,834
Debt Servicing Costs	10,560	7,125	6,043	5,999	4,019
Total Expenses	\$ 735,262	667,694	647,139	579,081	\$ 555,823
Surplus of Revenues over Expenses	\$ 210,563	\$ 201,567	\$ 219,731	\$ 316,069	\$ 257,534

Summary of Revenues

For the Years Ended December 31, 2015 to 2011 (in thousands of dollars)
(unaudited)

	2015	2014	2013	2012	2011
Taxation	\$ 193,806	\$ 178,318	\$ 161,177	\$ 149,440	\$ 139,049
Grants in Lieu of Taxes	34,708	33,135	30,921	29,106	29,153
General Revenues	91,322	83,977	78,957	74,303	73,528
User Fees	49,363	48,847	56,887	43,479	38,588
Transfers from Other Governments	65,318	62,878	63,613	57,358	52,836
Land Development	3,590	7,024	-	-	-
	\$ 438,107	\$ 414,179	\$ 391,555	\$ 353,686	\$ 333,154



Summary of Expenditures

For the Years Ended December 31, 2015 to 2011 (in thousands of dollars)
(unaudited)

	2015	2014	2013	2012	2011
Community Support	\$ 15,775	\$ 14,777	\$ 14,235	\$ 13,616	\$ 8,342
Corporate Asset Management	7,755	7,145	8,064	6,509	-
Environmental Health	18,622	18,456	17,738	16,282	15,793
Corporate Governance and Finance	92,563	80,572	63,229	58,848	57,644
Land Development	3,590	7,024	7,119	9,443	6,690
Public Safety	89,949	85,038	79,429	75,604	116,950
Fire Services	45,955	43,944	43,706	40,252	-
Recreation and Culture	54,944	51,508	49,143	46,233	45,100
Transportation	92,778	93,154	98,879	69,028	65,345
Urban Planning and Development	12,780	10,843	12,370	11,612	13,222
Taxation	1,338	1,165	1,085	1,184	995
	\$ 436,049	\$ 413,626	\$ 394,997	\$ 348,611	\$ 330,081



Summary of Capital Operations

For the Years Ended December 31, 2015 to 2011 (in thousands of dollars)
(unaudited)

	2015	2014	2013	2012	2011
Sources of Funds					
Province of Saskatchewan	\$ 8,040	\$ 165	\$ 9,509	\$ 36,075	\$ 55,836
Saskatchewan Water Corporation	—	—	—	3	—
Federal Gas Tax Program	—	—	—	4,189	6,090
Provincial Building Communities Program	—	2,274	279	54	980
Urban Highway Connector Program	678	473	45	4,958	1,221
Government of Canada	57	16	—	9	274
Federal Transit Funding Program	2,380	3,510	618	633	1,361
Federal Gateway and Border Crossings	2,056	2,961	8,224	18,238	31,176
Building Canada Fund (FED)	3,965	6,673	11,349	9,987	7,639
Recreational Infrastructure Canada (FED)	—	—	—	—	392
Building Canada Fund (PROV)	4,136	529	4,858	3,055	1,555
Federal Infrastructure Stimulus Fund	—	—	—	12	3,875
Federation of Canadian Municipalities	—	—	—	90	217
FCM Green Fund Grant	—	28	91	(54)	54
Western Economic Diversification	—	130	—	—	—
Taxation	3,932	4,543	4,211	3,454	5,205
Utility Contribution	5,809	8,061	8,189	8,098	8,398
Contributions from Developers Benefiting Property Owners and Other Users	60,532	41,432	14,502	22,452	15,325
Appropriations					
Sinking Fund	—	—	—	—	675
Reserves	170,628	251,083	286,279	218,352	174,973
Library Reserve	—	—	—	—	50
	262,213	321,878	348,154	329,605	315,296

Summary of Capital Operations (continued)For the Years Ended December 31, 2015 to 2011 (in thousands of dollars)
(unaudited)

	2015	2014	2013	2012	2011
Application of Funds					
General Government	\$ 6,864	\$ 7,895	\$ 17,996	\$ 4,595	\$ 4,131
Protection of Persons and Property	5,015	4,949	43,743	57,761	19,579
Transportation	133,498	112,061	132,371	165,608	177,454
Environmental Health	60,736	85,068	88,640	93,572	69,622
Social and Family Services	—	(540)	(1,952)	187	—
Planning and Development	60,011	34,932	54,736	25,503	34,601
Recreation and Culture	44,566	44,174	24,890	12,029	9,618
Saskatoon Light & Power Expansion and Replacements	19,623	18,007	19,292	20,910	14,441
	330,313	306,546	379,716	380,165	329,446
Increase (Decrease) in Unexpended Capital Financing	(68,100)	15,332	(31,562)	(50,560)	(14,150)
Unexpended Capital Financing, Beginning of Year	130,085	114,753	146,315	196,875	211,025
Unexpended Capital Financing, End of Year	\$ 61,985	\$ 130,085	\$ 114,753	\$ 146,315	\$ 196,875

Summary of Public Utilities Operating Results

For the Years Ended December 31, 2015 to 2011 (in thousands of dollars)
(unaudited)

	2015	2014	2013	2012	2011
Net surplus after deducting operating expenses, debt charges and contributions to reserves:					
Saskatoon Light & Power	\$ 21,319	\$ 23,408	\$ 23,758	\$ 21,517	\$ 23,907
Transit System (before contribution from General Revenue)	—	—	—	(20,329)	(21,212)
Net Surplus	21,319	23,408	23,758	1,188	2,695
Amount contributed by Utilities to Revenue as Grant in Lieu of Taxes	\$ 21,319	\$ 23,408	\$ 26,286	\$ 24,900	\$ 24,898

Summary of Reserves and Surplus

For the Years Ended December 31, 2015 to 2011 (in thousands of dollars)
(unaudited)

	2015	2014	2013	2012	2011
Reserves					
Property Realized	\$ 27,792	\$ 28,955	\$ 47,912	\$ 38,740	\$ 15,499
Replacement	18,092	(20)	(2,243)	(2,200)	(5,155)
Future Expenditures	93,009	55,135	60,214	79,162	42,107
Surplus (Deficit)	2,058	553	(3,442)	5,075	3,073
	\$ 140,951	\$ 84,623	\$ 102,441	\$ 120,777	\$ 55,524

Summary of Term Debt and Required Sinking Fund Consolidation of All Obligations

For the Years Ended December 31, 2015 to 2011
(unaudited)

	2015	2014	2013	2012	2011
Total Term Debt	\$ 263,051,368	\$ 238,103,885	\$ 234,509,219	\$ 197,125,312	\$ 127,368,044
	263,051,368	238,103,885	234,509,219	197,125,312	127,368,044
Population Estimate at Dec. 31 ⁽¹⁾	262,900	257,300	248,700	239,000	234,200
Gross Debt Per Capita	\$ 1,001	\$ 925	\$ 943	\$ 825	\$ 544
Net Debt Per Capita	\$ 994	\$ 922	\$ 943	\$ 825	\$ 544
Mill Rate Supported Debt	\$ 529	\$ 514	\$ 562	\$ 440	\$ 387
Legal Debt Limit	\$ 558,000,000	\$ 558,000,000	\$ 414,000,000	\$ 414,000,000	\$ 414,000,000
Debt servicing costs as a percentage of total expenditures	1.455 %	1.067 %	0.934 %	1.036 %	0.723 %

⁽¹⁾ Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

Summary of Term Debt and Required Sinking Fund by Responsibility Centre ⁽¹⁾

For the Year Ended December 31, 2015
(unaudited)

	2015	2014
Waterworks Utility	\$ 43,853,933	\$ 49,786,148
Wastewater Utility	\$ 15,798,560	\$ 20,665,619
Gas Tax	\$ 29,284,796	\$ 35,297,088
P3	\$ 35,000,000	\$ -
Total Debt Not Supported by Civic Mill Rate	\$ 123,937,289	\$ 105,748,855
Total Civic Mill Rate Debt	\$ 139,114,079	\$ 132,355,030
Total Term Debt	\$ 263,051,368	\$ 238,103,885
Sinking Funds Accumulated to Retire Debt	\$ (1,780,650)	\$ (871,935)
Net Debt	\$ 261,270,718	\$ 237,231,950
Population Estimate at Dec. 31 ⁽²⁾	262,900	257,300
Gross Debt Per Capita	\$ 1,001	\$ 925
Net Debt Per Capita	\$ 994	\$ 922
Mill Rate Supported Debt	\$ 529	\$ 514

⁽¹⁾ All figures are based on book values and have not been adjusted for foreign currency exchange.

⁽²⁾ Population data is provided by the City Planning Branch, derived from Statistics Canada census data.

Term Debt Maturing with Percentages

As at December 31, 2015
(unaudited)

Year	Long-Term Debt Maturing	Percentage Yearly	Percentage Reduction Accumulated
2016	\$ 24,001,904	10.520 %	10.520 %
2017	24,696,773	10.830 %	21.350 %
2018	25,433,406	11.150 %	32.510 %
2019	22,256,099	9.760 %	42.270 %
2020	18,886,247	8.280 %	50.550 %
2021	13,107,949	5.750 %	56.300 %
2022	13,499,952	5.920 %	62.220 %
2023	8,998,233	3.950 %	66.160 %
2024	7,512,805	3.290 %	69.460 %
2025	3,819,000	1.670 %	71.130 %
2026	3,078,000	1.350 %	72.480 %
2027	3,171,000	1.390 %	73.870 %
2028	3,267,000	1.430 %	75.300 %
2029	3,368,000	1.480 %	76.780 %
2030	3,469,000	1.520 %	78.300 %
2031	3,575,000	1.570 %	79.870 %
2032	911,000	0.400 %	80.270 %
2043	80,000,000	19.730 %	100.000 %
Total Debt	263,051,368	100.000 %	
Sinking Funds Accumulated to Retire Debt	(1,780,650)		
Net Term Debt	\$ 261,270,718		

Summary of Property Assessment and Tax Levy

For the Years Ended December 31, 2015 to 2011
(unaudited)

	2015	2014	2013*	2012	2011
Gross Assessments	\$ 33,140,448,115	\$ 32,187,650,200	\$ 30,448,361,645	\$ 15,389,037,180	\$ 15,106,052,606
Exemptions	7,549,330,626	7,394,587,326	7,137,299,775	3,222,423,140	3,237,388,060
Assessed Value for Taxation	\$ 25,591,117,489	\$ 24,793,062,874	\$ 23,311,061,870	\$ 12,166,614,040	\$ 11,868,664,546
	Mills	Mills	Mills	Mills	Mills
Tax Rate:					
General	7.63	7.26	6.79	12.05	11.57
Library	0.77	0.74	0.72	1.33	1.30
Education:					
Public Board/Separate Board	5.03	5.03	5.03	9.51	9.51
Total	13.43	13.03	12.54	22.89	22.38
	\$ -	\$ -	\$ -	\$ 302,869,121	\$ 289,960,812
Property Roll Collections:					
Current	\$ 362,771,314	\$ 340,692,675	\$ 318,630,299	\$ 297,078,078	\$ 287,554,659
Arrears	8,709,950	8,041,664	6,968,087	5,815,050	5,823,629
Total Collected	\$ 371,481,264	\$ 348,734,339	\$ 325,598,386	\$ 302,893,128	\$ 293,378,288
Percentage of Levy Collected:					
Current	95.837 %	96.440 %	96.190 %	95.400 %	98.200 %
Current and Arrears	95.666 %	96.050 %	95.980 %	95.200 %	97.800 %
Taxes Outstanding:					
Current	\$ 7,820,928	\$ 7,647,150	\$ 8,208,711	\$ 6,506,252	\$ 5,321,930
Arrears	2,164,633	2,136,065	1,580,279	1,495,262	1,382,920
	\$ 9,985,561	\$ 9,783,215	\$ 9,788,990	\$ 8,001,514	\$ 6,704,850

* Reassessment Year

Saskatoon Economic Statistics

For the Years Ended December 31, 2015 to 2011
(unaudited)

	2015	2014	2013	2012	2011
Saskatoon population (December 31)*:	262,900	257,300	248,700	239,000	234,200
Annual change	1.900 %	6.191 %	4.059 %	2.050 %	4.414 %
Saskatoon inflation rate – annual change	– %	1.900 %	1.000 %	1.470 %	2.500 %
Saskatoon unemployment rate – annual average	5.800 %	3.580 %	4.100 %	5.600 %	8.600 %
No. of Persons Employed in Saskatoon	169,625	169,100	164,175	152,675	144,450
Saskatoon Building Permits					
Total Number	4,327	4,996	5,020	5,196	4,651
Total Value	\$ 1,020,394	\$ 878,238	\$ 1,088,500	\$ 1,082,100	\$ 936,900
Annual Change	(0.130)%	(0.479)%	(3.400)%	15.500 %	40.655 %

* December population estimates are provided by Planning and Development, derived from Statistics Canada annual July estimate data.

Sources of Information:

Statistics Canada

City of Saskatoon – Planning Branch, Community Services Department

Major Taxpayers in Saskatoon

2015 Taxable Assessment (in thousands of dollars)
(unaudited)

Midtown Plaza Inc.	\$ 198,461,300
Boardwalk REIT Properties Holdings Ltd.	130,812,200
Pillar Properties Corp.	92,251,840
Calloway REIT Saskatoon South	87,712,200
Centre At Circle & Eighth Property Inc.	85,140,400
959630 Alberta Inc.	75,043,540
Dundeal Canada (GP) Inc.	63,799,800
FP Equities Inc.	59,414,900
Triogreen West GP Inc.	59,414,900
The Saskatoon Co-operative Association Limited	56,898,800
101042414 Saskatchewan Ltd.	56,634,300
Nexus Holdings Inc.	54,839,290
CNH Canada Ltd.	54,661,000
Federated Co-operatives Limited	54,061,300

The map illustrates the University of Saskatchewan campus and its surrounding development areas, categorized into 10 numbered planning zones. The zones are defined by their geographical location and primary land use:

- 1: University of Saskatchewan Management Area** - The central core of the campus, including the main university buildings and the library.
- 2: South Industrial Area** - Located south of the main campus, featuring industrial and commercial developments.
- 3: West Development Area** - Situated to the west of the main campus, primarily consisting of residential and commercial areas.
- 4: North Industrial Area** - Located north of the main campus, featuring industrial and commercial developments.
- 5: North Development Area** - Situated north of the main campus, primarily consisting of residential and commercial areas.
- 6: Central Industrial Area** - Located centrally, featuring industrial and commercial developments.
- 7: South Industrial Area** - Situated south of the main campus, featuring industrial and commercial developments.
- 8: East Development Area** - Located east of the main campus, primarily consisting of residential and commercial areas.
- 9: South Industrial Area** - Situated south of the main campus, featuring industrial and commercial developments.
- 10: North Development Area** - Situated north of the main campus, primarily consisting of residential and commercial areas.

The map also shows various other areas such as the University of Saskatchewan Management Area, North Development Area, South Development Area, East Development Area, and West Development Area. The numbered areas are highlighted with black circles containing the numbers 1 through 10.

OUR VISION

In 2030, Saskatoon is a world class city with a proud history of self-reliance, innovation, stewardship, and cultural diversity. Saskatoon is known globally as a sustainable city loved for its community spirit, robust economy, cultural experiences, environmental health, safety, and physical beauty. All citizens enjoy a range of opportunities for living, working, learning, and playing. Saskatoon continues to grow and prosper, working with its partners and neighbours for the benefit of all.

"Saskatoon is a great place to live, where sustainable growth enables the community to invest for the benefit of all."

OUR MISSION

Our Corporation, the City of Saskatoon, exists to provide excellent local government through leadership, teamwork, partnership and dedication to the community.

We will be innovative and creative in the efficient and effective delivery of public services for the economic, environmental, social and cultural well-being of the community.

OUR CORPORATE VALUES

Our Strategic Goals will be achieved through the talent, creativity, and commitment of staff who demonstrate our five workplace values every day:

TRUST - INTEGRITY - RESPECT - HONESTY - COURAGE

OUR LEADERSHIP COMMITMENTS

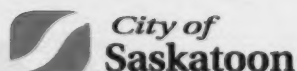
Our leadership commitments, and those who demonstrate these commitments in their roles, are key to achieving our vision and mission. They shape our approach to operating, planning and decision-making every day:

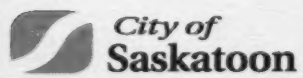
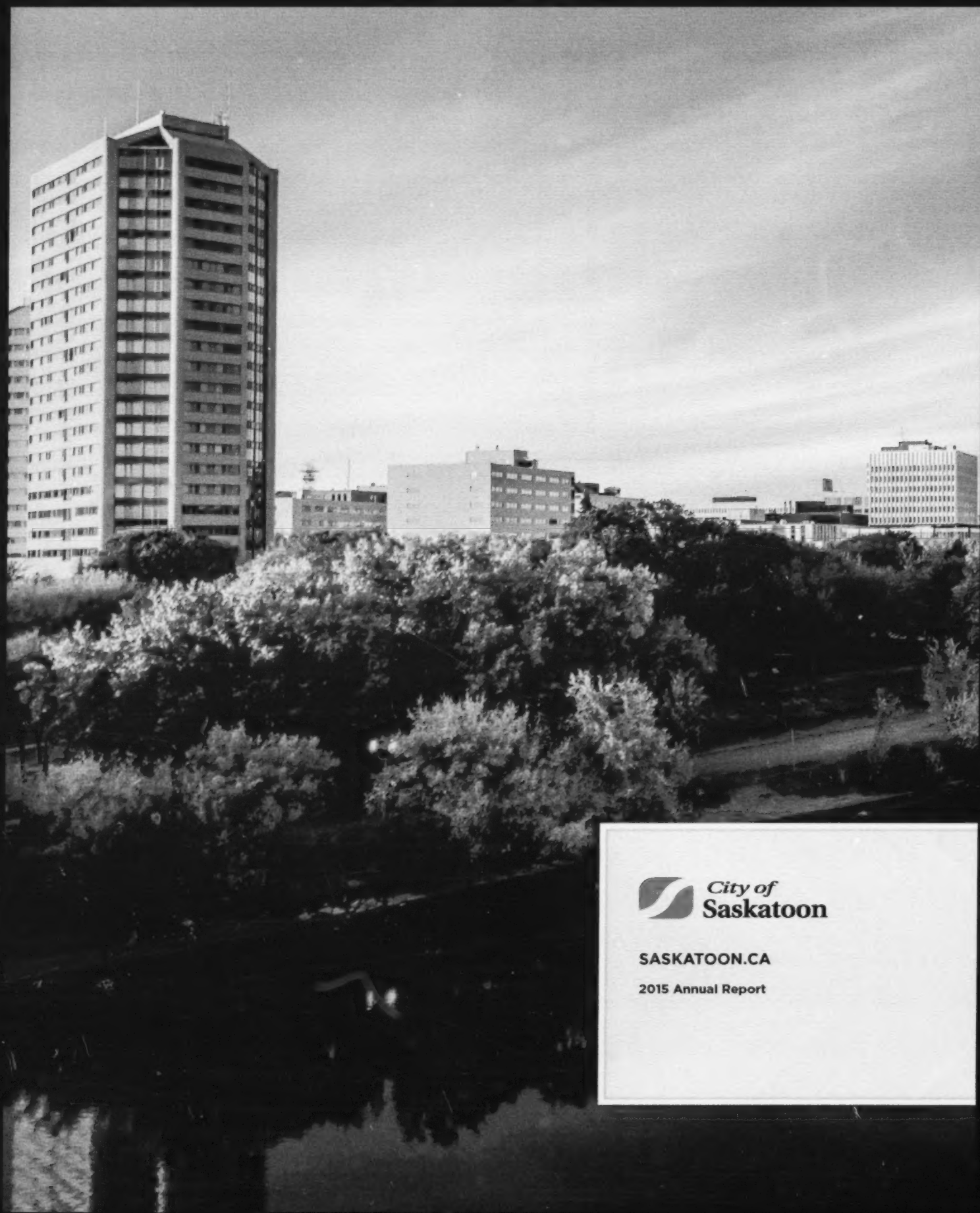
RELIABLE AND RESPONSIVE SERVICE

STRONG MANAGEMENT AND FISCAL RESPONSIBILITY

EFFECTIVE COMMUNICATION, OPENNESS AND ACCOUNTABILITY

INNOVATION AND CREATIVITY





City of
Saskatoon

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2015 Annual Report